GENTING
PLANTATIONS

ANNUAL REPORT 2020

GENTING PLANTATIONS BERHAD

197701003946 (34993-X)

about GENTING PLANTATIONS

OUR VISION

We strive:

To become a leader in the plantation industry.

To embark aggressively onto value-added downstream manufacturing activities which are synergistic to our core business.

To enhance return on the company land bank through property development activities.

To adopt a market-driven and customer-oriented approach, with emphasis on product quality and diversity.

To strengthen our competitive position by adopting new technologies and innovations.

As people are the key to achieving the company's vision, we are committed to develop our employees and create a highly motivating and rewarding environment for them.

OUR CORE VALUES

• HARDWORK • HONESTY • HARMONY • LOYALTY • COMPASSION

CORPORATE PROFILE

Genting Plantations, a subsidiary of Genting Berhad, commenced operations in 1980. It has a landbank of about 64,600 hectares in Malaysia and some 178,900 hectares (including the *Plasma* schemes) in Indonesia. It owns seven oil mills in Malaysia and five in Indonesia, with a total milling capacity of 665 metric tonnes per hour. In addition, our Group has ventured into the manufacturing of downstream palm-based products.

Genting Plantations has also diversified into property development to unlock the value of its strategically-located landbank and has invested significantly in biotechnology in a major effort to apply genomics-based solutions to increase crop productivity and sustainability.

www.gentingplantations.com

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CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Genting Plantations Berhad ("the Company") and its subsidiaries ("our Group") for the year ended 31 December 2020.

FINANCIAL OVERVIEW

2020 was an unprecedented year fraught with uncertainty and volatility as the world battles the widespread pandemic caused by Coronavirus Disease 2019 ("COVID-19"), which resulted in a slowdown in many economies and industries globally.

In Malaysia, the domestic economy was severely affected by a nationwide Movement Control Order ("MCO") and the necessary measures taken to contain the COVID-19 outbreak. The MCO had temporarily disrupted some of our Group's operations but thankfully, this was quickly lifted for the upstream and downstream operations of the palm oil industry, which is regarded as an essential sector.

The uncertainties in the global economy brought on by the pandemic led to significant volatility in crude palm oil ("CPO") prices over the course of the year. CPO prices had started the year strongly at above the RM3,000 per metric tonne ("mt") mark but soon began experiencing a pullback as demand uncertainties surfaced due to the pandemic in major importing countries. After falling to a low of RM2,021 per mt in early May 2020, CPO prices started recovering swiftly during the second half of 2020 to end the year on a high note at RM3,788 per mt, hitting levels not seen since 2011. This was mainly aided by the tight supply situation of palm oil and its substitutes as well as the recovery in demand from major consuming countries, especially China and India, following the reopening of global economic sectors.

Ultimately, the market dynamics that prevailed in 2020 resulted in palm product selling prices averaging for the full year at considerably higher levels compared to the previous year amid a decline in Malaysian palm oil stockpiles. Our Group's average CPO price achieved for the year rose 23% to RM2,511 per mt from RM2,048 per mt in 2019. Likewise, the average palm kernel price achieved was 29% higher at RM1,519 per mt compared to RM1,179 per mt in the previous year.

The positive undertone for CPO prices proved to be a decisive factor for our Group's financial performance in 2020, where we reported a 10% increase in revenue to RM2.5 billion for the year while pre-tax profit rose 74% to RM323.2 million.

OPERATIONAL PERFORMANCE

For our mainstay Plantation Division, total fresh fruit bunch ("FFB") production for 2020 saw a decline of 5% year-on-year, mainly owing to the lagged effect of dry weather conditions in 2019. Consequently, the Group's FFB yield also declined to 17.9 mt per hectare compared to the 18.5 mt per hectare recorded in the previous year.

In December 2020, the Group expanded our processing capacities following the commissioning of our fifth palm oil mill in Indonesia. Cemerlang Oil Mill, which has a capacity of 60 mt per hour, will cater to the continuously growing harvest at our Group's estates in Kalimantan Barat.

2020 saw our Group's Downstream Manufacturing Division operating in a tough environment for the greater part of the year, where the onslaught of the COVID-19 pandemic in the first half of 2020 had devastating effects on demand in key importing countries. The biodiesel operation was further besieged by the unfavourable palm oil–gas oil spread throughout the year, which discouraged the export demand for both discretionary and mandatory blending. These factors led to lower sales, and correspondingly lower capacity utilisation during the year for both the refinery and biodiesel plants.

Having to contend with lacklustre demand since 2019, the property market in Malaysia was dealt with yet another blow in 2020 as the outbreak of the pandemic led to an even more cautious investor sentiment.

Given the uncertainties present in the property market over the course of the year, the Group's Property Division timed its new launches towards the latter part of the year and this included 278 units of *Rumah Mampu Biaya* Johor priced at RM150,000 per unit. The overall response has been encouraging despite the current climate with over 65% sold or booked as at end-December 2020.

Our Group's Property Division also managed to overcome the unforeseen delays in its construction works caused by the MCO and had successfully completed 442 units of residential properties in Genting Indahpura and Genting Pura Kencana ahead of its scheduled time frame.

The performance of the Group's Premium Outlets® was adversely affected by the various phases of MCO which were implemented by the Malaysian government to combat the pandemic in 2020. Despite the very challenging retail market, Premium Outlets® managed to maintain near-full occupancy and brought in more luxury brand names. Genting Highlands Premium Outlets® marked its third year of operations with new stores opening such as Ball Watch and Sephora, which for the latter is the first outlet store in South East Asia. Johor Premium Outlets® also saw the opening of new luxury brand stores such as Burberry, Fendi and Steve Madden.

Meanwhile, our Biotechnology Division continues to strive in delivering value through its genomics research and development ("R&D") of high yielding planting materials and microbial solutions.

DIVIDENDS

Our Group recognises that the sharing of financial success with shareholders through the distribution of dividends in the immediate-term is as important as the retention of sufficient capital to support long-term growth objectives. In this regard, the Board of Directors has recommended a final single-tier dividend of 4.0 sen per ordinary share for the 2020 financial year. The Board has also declared a special single-tier dividend of 11.0 sen per ordinary share. If approved by shareholders at the coming Annual General Meeting, the final dividend would take the total dividend (including the interim dividend of 6.0 sen) for 2020 to 21.0 sen per ordinary share, representing a payout ratio of 74%. In comparison, the total dividend paid out for the 2019 financial year amounted to 13.0 sen per ordinary share, equivalent to a payout ratio of 82%.

LOOKING FORWARD

As the threat of the COVID-19 pandemic continued to rage on particularly on the home front, we maintain a cautious outlook for 2021. Having seen the disruptions brought on by the pandemic for most part of the previous year, the deployment of vaccine across the world is much welcomed and will provide a shot in the arm to many economies and industries in 2021. However, it remains to be seen whether the global economy will be able to return to pre-pandemic levels this year.

Looking ahead, fundamentals are supportive of strong CPO prices in the near term but this will likely moderate in the second half of 2021, as production is expected to recover with the normalisation of weather conditions.

With that said, the long-run outlook for the palm oil industry remains positive given palm oil's unrivalled versatility as a superior resource for both food and non-food applications, while the continuous growth in global population and household incomes will only increase demand for this exceptional resource.

These demand drivers coupled with the oil palm's unmatched qualities as the most productive crop, yielding the most affordable and versatile edible oil, point to a promising future for palm oil as the sustainable solution to the world's ever-growing food and fuel needs.

The palm oil industry in general continues to contend with various operational challenges, including securing sufficient manpower for field operational work in Malaysia. The current pandemic has exacerbated the situation as the Malaysian Government suspends the recruitment of foreign workers. As such, the industry as a whole has been registering net outflow of foreign workers as workers are being repatriated without any corresponding incoming replacements.

In this aspect, although our Malaysian operations are mechanised in all areas possible and thus reducing our reliance on manual labour, such mechanisation efforts are unable to fully compensate for the shortage of workers, especially harvesters, which has gradually worsened over the course of the year. Hence, we anticipate that crop losses will be incurred if the suspension of foreign workers recruitment is not lifted. Whilst continuous efforts have been taken to recruit local workers at our estates in Malaysia during the year, which included collaborations with the authorities, social media recruitment blast, open interviews at our estates as well as the introduction of special wage scheme for local workers, these efforts have yet to see any significant success when compared to the required workforce of the estates. We hope that the lifting of the suspension of foreign workers recruitment would be considered favourably by the relevant authorities.

Even in challenging times, we remain steadfast in upholding the core principles that have been the pillars of our Group's progression thus far. Not only does this entail keeping an unwavering focus on efficiency and constantly innovating to create value that will contribute to the Group's bottom line, it also means that we will not deviate from the path towards realising our Group's sustainability aspirations.

Our Group recognises that certification is not the sole measure of sustainable business practices and as with the past years, we continue to pursue the steps that are integral in fulfilling our vision towards ensuring that our business and operations include the best interests of local communities and environments. Food aid programmes and other donations in-kind including the spraying of disinfectants in public areas such as schools, community halls and places of worship were carried out to assist the local communities surrounding our estates in the wake of the pandemic. The past financial year also saw our Group contributing to the preservation and stewardship of natural wildlife and forest conservations in our operations.

ACKNOWLEDGMENTS AND APPRECIATION

On behalf of the Board of Directors, I wish to record our thanks to all shareholders for the continued trust and confidence placed in us to safeguard their best interests in leading our Group forward. The members of the Board remain committed, individually and collectively, to discharging their fiduciary duties whilst upholding good corporate governance with integrity and accountability at all times.

Our appreciation also goes out to our Group's business associates and collaboration partners as well as to the regulatory bodies and governing authorities for all the support and assistance rendered, in tackling this challenging year together.

Above all, the management, employees and staff of all levels of our Group deserve special thanks and commendation for their professionalism and dedicated service. The strong work ethic and togetherness demonstrated by the entire team at Genting Plantations Berhad proved vital in ensuring that the Group is able to operate and adjust smoothly to the implementation of stringent standard operating procedures, which aim to ensure the well-being of our very own front liners across our Group's various business units.

Accolades received during the year attest to the positive outcomes of our Group's unrelenting commitment to excellence and I am pleased to share that Genting Plantations Berhad has been honoured with the award for *"Asia's Most Outstanding Company in Malaysia - Plantation Sector"* under Asiamoney - Asia's Outstanding Companies 2020 Poll (Malaysia). This Poll recognises publicly listed companies across the region for their excellence in a variety of business areas and markets.

Thank you.

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Chairman
24 February 2021

PENYATA PENGERUSI

Para Pemegang Saham yang Dihormati,

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan Beraudit Genting Plantations Berhad ("Syarikat") dan anak-anak syarikatnya ("Kumpulan kami") bagi tahun berakhir 31 Disember 2020.

GAMBARAN KESELURUHAN KEWANGAN

Tahun 2020 merupakan tahun yang dipenuhi dengan ketidaktentuan yang tidak pernah dialami sewaktu dunia memerangi penularan meluas pandemik yang disebabkan oleh Penyakit Coronavirus 2019 ("COVID-19"), malahan mengakibatkan kelembapan ekonomi dan industri di seluruh dunia.

Di Malaysia, ekonomi tempatan telah terjejas teruk akibat pelaksanaan Perintah Kawalan Pergerakan ("PKP") di seluruh negara dan langkah-langkah yang perlu diambil untuk membendung penularan COVID-19. PKP telah mencetuskan gangguan sementara ke atas sesetengah operasi Kumpulan kami tetapi mujurlah, ketetapan ini telah diangkat dengan segera bagi operasi hiliran dan huluan industri kelapa sawit, yang disifatkan sebagai sektor perkhidmatan perlu.

Ketidakpastian dalam ekonomi global yang berpunca daripada pandemik tersebut telah mengakibatkan turun naik yang ketara dalam harga minyak sawit mentah ("CPO") sepanjang tempoh tahun ini. Harga CPO bermula dengan kukuh pada paras melebihi RM3,000 setiap tan metrik ("mt") tetapi mula mengalami penyusutan apabila permintaan menjadi tidak menentu akibat pandemik di negara-negara pengimport utama. Setelah jatuh ke paras serendah RM2,021 setiap mt pada awal Mei 2020, harga CPO pulih dengan pantas pada separuh tahun kedua 2020, seterusnya mengakhiri tahun pada RM3,788 setiap mt, mencecah paras tertinggi yang tidak diperlihatkan sejak tahun 2011. Kenaikan harga ini terutamanya dibantu oleh keadaan bekalan minyak sawit dan barang penggantinya yang ketat serta pemulihan dalam permintaan dari negara-negara pengguna utama, terutamanya China dan India, susulan pembukaan semula sektor ekonomi dunia.

Pada dasarnya, dinamik pasaran yang dialami sepanjang tahun 2020 menghasilkan purata harga jualan produk sawit yang lebih tinggi bagi sepenuh tahun berbanding dengan tahun sebelumnya di sebalik penyusutan dalam simpanan stok minyak sawit Malaysia. Harga purata CPO Kumpulan kami bagi tahun ini meningkat 23% kepada RM2,511 setiap mt berbanding RM2,048 setiap mt pada tahun 2019. Begitu juga, harga purata isirung sawit yang dicapai adalah 29% lebih tinggi pada RM1,519 setiap mt berbanding dengan RM1,179 setiap mt pada tahun sebelumnya.

Harga CPO yang memuncak positif terbukti menjadi faktor pemutus bagi prestasi kewangan Kumpulan kami pada tahun 2020, di mana kami melaporkan peningkatan 10% dalam hasil kepada RM2.5 bilion bagi tahun 2020 manakala keuntungan sebelum cukai meningkat 74% kepada RM323.2 juta.

PRESTASI OPERASI

Merujuk kepada Bahagian Perladangan kami, jumlah pengeluaran buah tandan segar ("FFB") pada tahun 2020 menyaksikan penurunan sebanyak 5% tahun ke tahun, terutamanya disebabkan kesan tertunda daripada keadaan iklim kering pada tahun 2019. Sehubungan daripada itu, hasil purata FFB Kumpulan kami juga menurun kepada 17.9 mt setiap hektar berbanding dengan 18.5 mt setiap hektar yang dicatatkan pada tahun sebelumnya.

Pada Disember 2020, Kumpulan kami meningkatkan kapasiti pemprosesan susulan pentauliahan kilang minyak sawit kelima kami di Indonesia. Cemerlang Oil Mill, yang mempunyai kapasiti 60 mt setiap jam, akan menampung penuaian yang kian meningkat di estet Kumpulan kami di Kalimantan Barat.

Bahagian Pembuatan Hiliran Kumpulan kami beroperasi dalam persekitaran yang mencabar untuk sebahagian besar tahun 2020, terutamanya pada separuh tahun pertama, di mana pandemik COVID-19 yang melanda memberikan kesan buruk ke atas permintaan dari negara-negara pengimport utama. Operasi biodiesel seterusnya terjejas oleh selisih harga antara minyak sawit dan minyak gas yang tidak memberangsangkan sepanjang tahun, dan membantutkan permintaan eksport bagi kedua-dua pengadunan budi bicara dan mandatori. Faktor-faktor ini membawa kepada jualan yang lebih rendah dan seterusnya penggunaan kapasiti yang lebih rendah pada tahun 2020 bagi loji-loji penapisan dan biodiesel.

Setelah berdepan dengan permintaan yang lembap sejak tahun 2019, pasaran hartanah di Malaysia menghadapi cabaran yang lebih ketara pada tahun 2020 apabila wabak pandemik yang melanda menyebabkan sentimen pelabur menjadi lebih berhati-hati.

Memandangkan ketidaktentuan yang wujud di pasaran hartanah sepanjang tahun ini, Bahagian Hartanah Kumpulan kami menjadualkan pelancaran baharunya pada penghujung tahun dan ini termasuk pelancaran 278 unit Rumah Mampu Biaya Johor yang berharga RM150,000 seunit. Secara amnya, sambutan yang diterima amat menggalakkan walaupun dalam keadaan semasa di mana lebih 65% unit berjaya dijual atau telah pun ditempah pada penghujung Disember 2020.

Bahagian Hartanah Kumpulan kami juga telah berjaya mengatasi kelewatan luar jangka dalam kerja-kerja pembinaan disebabkan PKP dan berjaya menyiapkan 442 unit hartanah kediaman di Genting Indahpura dan Genting Pura Kecana lebih awal daripada rangka masa yang dijadualkan.

Prestasi Premium Outlets® Kumpulan kami telah terjejas oleh pelbagai peringkat PKP yang dilaksanakan oleh Kerajaan Malaysia untuk memerangi pandemik pada tahun 2020. Walaupun pasaran runcit berdepan dengan cabaran yang amat getir, Premium Outlets® berjaya mengekalkan penghunian yang hampir penuh dan membawa masuk jenama mewah baharu. Genting Highlands Premium Outlets® kini memasuki tahun ketiga operasi di mana kedai-kedai baharu dibuka seperti Ball Watch dan Sephora, di mana Sephora merupakan kedai pertamanya di Asia Tenggara. Johor Premium Outlets® juga menyaksikan pembukaan kedai berjenama mewah baharu seperti Burberry, Fendi dan Steve Madden.

Sementara itu, Bahagian Bioteknologi kami terus berusaha untuk menyampaikan nilai melalui penyelidikan dan pembangunan (“R&D”) genomik ke atas bahan penanaman berhasil tinggi dan penyelesaian berasaskan mikrob.

DIVIDEN

Kumpulan kami sedar akan keperluan untuk berkongsi kejayaan kewangan dengan pemegang saham melalui pengagihan dividen dalam tempoh terdekat adalah sama penting dengan keperluan untuk mengekalkan modal yang mencukupi untuk menyokong objektif pertumbuhan jangka panjang. Dalam hal ini, Lembaga Pengarah telah mencadangkan dividen akhir satu peringkat sebanyak 4.0 sen sesaham biasa bagi tahun kewangan 2020. Lembaga juga mengisytiharkan dividen khas satu peringkat sebanyak 11.0 sen sesaham biasa. Jika dividen akhir tersebut diluluskan oleh pemegang saham pada Mesyuarat Agung Tahunan yang akan datang, jumlah dividen (termasuk dividen interim sebanyak 6.0 sen) bagi 2020 menjadi 21.0 sen sesaham biasa, mewakili nisbah pembayaran sebanyak 74%. Sebagai perbandingan, jumlah dividen dibayar bagi tahun kewangan 2019 berjumlah 13.0 sen sesaham biasa, bersamaan dengan nisbah pembayaran sebanyak 82%.

MELANGKAH KE HADAPAN

Oleh sebab ancaman pandemik COVID-19 masih berleluasa terutamanya di dalam negara, kami mengekalkan tinjauan yang berhati-hati bagi tahun 2021. Setelah menyaksikan bagaimana pandemik telah mengakibatkan gangguan pada sebahagian besar tahun sebelumnya, pengagihan vaksin merentasi dunia amat dialu-alukan dan akan memberikan rangsangan kepada banyak ekonomi dan industri pada tahun 2021. Walau bagaimanapun, sama ada ekonomi global akan dapat kembali kepada tahap sebelum pandemik pada tahun ini masih belum diketahui.

Pada masa hadapan, harga CPO akan disokong kukuh dalam tempoh terdekat tetapi mungkin akan menyederhana pada separuh tahun kedua 2021, apabila pengeluaran dijangka pulih seiring dengan keadaan iklim yang kembali normal.

Berdasarkan faktor-faktor yang disebut di atas, tinjauan jangka panjang bagi industri minyak sawit kekal positif memandangkan kepelbagaian minyak sawit sebagai sumber unggul yang tiada tandingan bagi kedua-dua kegunaan makanan dan bukan makanan, manakala pertumbuhan berterusan dalam populasi global dan pendapatan isi rumah akan meningkatkan lagi permintaan bagi sumber yang luar biasa ini.

Pemangkin permintaan ini ditambah dengan kualiti minyak sawit yang tiada tandingannya sebagai tanaman yang paling produktif, menghasilkan minyak makan yang serba guna pada harga yang amat berpatutan, menjadi petunjuk kepada masa depan yang memberangsangkan bagi minyak sawit sebagai penyelesaian mampan kepada keperluan makanan dan bahan api dunia yang sentiasa meningkat.

Industri minyak sawit secara amnya terus berhadapan dengan pelbagai cabaran operasi, termasuk mendapatkan tenaga kerja yang mencukupi untuk kerja-kerja operasi lapangan di Malaysia. Pandemik semasa telah memburukkan lagi keadaan apabila Kerajaan Malaysia mengambil tindakan untuk menangguhkan pengambilan pekerja-pekerja asing. Sehubungan tindakan tersebut, industri secara keseluruhannya telah mencatatkan aliran keluar bersih pekerja asing apabila tiada pekerja dibawa masuk untuk menggantikan pekerja yang telah dihantar pulang.

Dalam hal ini, walaupun operasi kami di Malaysia telah menggunakan jentera di semua bidang yang mungkin dan secara langsung mengurangkan pergantungan pada buruh manual, usaha penjenteraan tersebut tidak dapat mengimbangi sepenuhnya masalah kekurangan pekerja, terutamanya bagi kerja mengait buah, di mana keadaan telah menjadi semakin genting pada tahun ini. Justeru, kami menjangkakan kerugian tanaman akan berlaku jika penangguhan pengambilan kerja pekerja asing tidak ditarik balik. Walaupun usaha berterusan telah dilaksanakan untuk mengupah pekerja tempatan di estet-estet kami di Malaysia pada tahun ini termasuk kerjasama dengan pihak berkuasa, pelancaran pengambilan pekerja melalui media sosial, temu duga terbuka di estet-estet kami serta memperkenalkan skim gaji khas bagi pekerja tempatan, usaha yang dijalankan ini belum membuahkan hasil yang ketara apabila dibandingkan dengan keperluan tenaga kerja estet kami. Kami berharap agar pihak berkuasa berkenaan akan mempertimbangkan untuk menarik balik penangguhan pengambilan kerja pekerja asing.

Pada waktu yang mencabar ini, kami masih berpegang teguh pada prinsip teras yang telah menjadi tunggak kepada kemajuan Kumpulan kami setakat ini. Prinsip teras kami bukan sahaja membolehkan kami memberikan tumpuan teguh kepada kecekapan dan sentiasa berinovasi bagi menghasilkan nilai yang akan menyumbang kepada keuntungan Kumpulan kami, ia juga bermaksud yang kami tidak akan tersasar daripada laluan untuk mencapai aspirasi kelestarian Kumpulan kami.

Kumpulan kami sedar bahawa pensijilan bukanlah satu-satunya ukuran bagi amalan perniagaan yang mampan dan sebagaimana pada tahun-tahun sebelumnya, kami terus mengorak langkah penting dalam memenuhi visi kami ke arah memastikan perniagaan dan operasi kami merangkumi kepentingan terbaik komuniti setempat dan alam sekitar. Program bantuan makanan dan lain-lain bantuan bukan barangan termasuk penyemburan disinfektan di tempat awam seperti sekolah, balai raya dan rumah ibadat telah dijalankan untuk membantu komuniti setempat di sekitar estet kami sewaktu pandemik ini. Tahun kewangan yang lalu juga menyaksikan Kumpulan kami menyumbang kepada pemeliharaan dan pengawasan hidupan liar semula jadi dan pemuliharaan hutan dalam operasi kami.

PERAKUAN DAN PENGHARGAAN

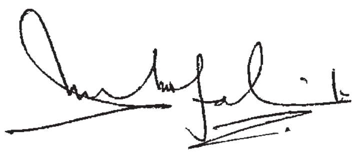
Bagi pihak Lembaga Pengarah, saya ingin menyampaikan penghargaan kami kepada semua pemegang saham atas keyakinan dan kepercayaan yang diberikan kepada kami untuk melindungi kepentingan terbaik mereka dalam menerajui Kumpulan kami untuk mara ke hadapan. Ahli-ahli Lembaga Pengarah kekal komited, secara individu dan bersama, untuk melaksanakan kewajipan fidusiari mereka sambil mendukung tadbir urus korporat yang baik dengan penuh integriti dan akauntabiliti pada setiap masa.

Penghargaan kami juga diberi kepada sekutu perniagaan dan rakan kerjasama Kumpulan kami serta badan pengawalseliaan dan pihak berkuasa pentadbir atas sokongan dan bantuan yang diberikan, untuk bersama-sama mengharungi tahun yang mencabar ini.

Tidak ketinggalan, pihak pengurusan, pekerja dan kakitangan dari semua peringkat Kumpulan kami seharusnya diberikan penghargaan dan pujian atas sikap profesional dan perkhidmatan mereka yang berdedikasi. Etika kerja yang kukuh dan perpaduan yang ditunjukkan oleh kesemua pasukan di Genting Plantations Berhad terbukti menjadi faktor penting dalam memastikan Kumpulan kami dapat beroperasi dan membuat pelarasan lancar kepada pelaksanaan prosedur operasi standard yang ketat, yang bertujuan untuk memastikan kesejahteraan kakitangan barisan hadapan dalam pelbagai unit perniagaan Kumpulan kami.

Penganugerahan yang kami terima sepanjang tahun ini membuktikan hasil positif komitmen tanpa penat lelah Kumpulan kami ke arah kecemerlangan dan saya berbesar hati ingin berkongsi dengan anda bahawa Genting Plantations Berhad telah dianugerahkan sebagai *"Asia's Most Outstanding Company in Malaysia – Plantation Sector"* di bawah undian kelolaan *Asiamoney – Asia's Outstanding Companies 2020 Poll (Malaysia).* Undian ini mengiktiraf syarikat-syarikat awam tersenarai merentasi rantau bagi kecemerlangan dalam pelbagai bidang perniagaan dan pasaran.

Terima kasih.



JEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (B)
Pengerusi
24 Februari 2021

主席文告

尊敬的股东们，

本人谨代表董事部欣然提呈云顶种植有限公司(简称“本公司”)与其子公司(统称“本集团”)截至2020年12月31日的年度报告及已审核财务报表。

财务概览

2020年是前所未见充斥着变数与动荡的一年，因为2019年新型冠状病毒(简称“COVID-19”)肆虐全球，引发广泛蔓延的疫情，导致全球许多经济体与各行各业深受冲击而放缓。

马来西亚政府在全国实施行动管制令(简称“行管令”)，并采取必要措施来抑制COVID-19蔓延，严重影响了国内经济表现。行管令短暂地中断了本集团的部分业务，庆幸的是，由于油棕业列为必要领域，政府很快就解除了油棕业上游与下游业务的禁令。

新冠疫情导致全球经济充斥不明朗因素，造成原棕油(“CPO”)价格在这一整年波动激烈。原棕油价格在年初表现强劲，每公吨冲上3,000令吉关卡，随后却迅速滑落，因为主要进口国遭受新冠疫情袭击，导致原棕油需求陷入不明朗局面。2020年5月初滑落至每公吨2,021令吉的低点后，原棕油价格于2020年下半年迅速反弹，年终以每公吨3,788令吉高昂姿态报收，创下2011年以来的最高水平。随着全球经济领域重新启动，棕油与其替代品供应紧绌，而且主要消费国，尤其是中国与印度的需求反弹，皆有利于棕油价格走势。

基本上，随着马来西亚棕油库存下降，2020年所盛行的市场动力，引领全年的棕油产品平均售价显著高于前一年。本集团的平均原棕油价格比起2019年的每公吨2,048令吉，扬升23%至每公吨2,511令吉。同样的，棕仁平均价格报每公吨1,519令吉，比起前一年的每公吨1,179令吉，上涨了29%。

原棕油价格的正面走势，显然是左右本集团2020年财务表现的关键因素，本集团全年营收达25亿令吉，增加10%，而税前盈利攀升74%至3亿2千3百20万令吉。

营运表现

作为集团支柱的种植组，2020年新鲜棕果串(FFB)产量按年下降5%，主要是因为2019年干旱天气的滞后效应继续发酵。因此，本集团的新鲜棕果串收成从前一年的每公顷18.5公吨，稍降至每公顷17.9公吨。

本集团的榨油产能随着我们在印尼的第五间棕油厂(Cemerlang Oil Mill)，于2020年12月开始操作而扩充。此榨油厂每小时产能为60公吨，将可应付本集团在西加里曼丹园丘不断增长的收成量。

由于COVID-19在2020年上半年大肆袭击全球，严重地压制了主要进口国的需求，本集团下游制造组业务于2020年大半年都在低迷中度过。生物柴油业务更因为一整年的棕油-低硫柴油的不利价差，而牵制自行判断混合与强制混合比例的出口需求。这些因素导致销售量下降，无论是提炼厂与生物柴油厂，都相应地减少产能使用率。

马来西亚产业市场早于2019年已陷入需求呆滞不前的窘境，随着新冠疫情爆发，导致投资者更加谨慎行事，2020年的产业市场面对更严峻考验。

鉴于产业市场在一整年都充斥不明朗因素，本集团产业组安排在下半年推介新产业项目，包括推介定价为每单位15万令吉的278单位*柔佛州可负担房屋(Rumah Mampu Biaya Johor)*。在当前氛围下，此项目获得令人鼓舞的反应，截至2020年12月杪已售出或预订了逾65%。

本集团产业组亦排除万难，克服行管令造成其建筑工程未可预见的耽延，而成功在预定期限之前，完成云顶优美城(Genting Indahpura)与云顶旺金城(Genting Pura Kencana)442单位住宅产业的建筑工程。

马来西亚政府在2020年为了对抗新冠疫情而实施不同阶段的行管令，不利于本集团名牌折扣购物中心(Premium Outlets®)的业绩表现。即使零售市场面对艰难挑战，名牌折扣购物中心仍保持将近全面租用率，并引入更多奢华名牌。云顶高原名牌折扣购物中心(Genting Highlands Premium Outlets®)进入第三年营运，引入波尔表(Ball Watch)与丝芙兰(Sephora)新商店，其中丝芙兰更是首次在东南亚开设分店。同时，柔佛名牌折扣购物中心(Johor Premium Outlets®)也引进更多新的奢华名牌，例如博柏利(Burberry)、芬迪(Fendi)与史蒂夫 马登(Steve Madden)。

同时，生物科技组继续透过研发高收成种植材料的基因组学与微生物解决方案，以交出有亮丽的成绩。

股息

本集团认同在短期内派发股息来和股东共享财务成就，同时亦要保留充足资金以支持长期成长目标，两者同样重要。因此，董事部建议2020财政年度派发每一普通股4.0仙末期单层股息。董事部也宣布派发每一普通股11.0仙的特别单层股息。若此末期股息在来临股东常年大会上获股东批准，2020财政年度的总股息(包括6.0仙中期股息)将达到每一普通股21.0仙，等于74%股息支付率。相比之下，2019财政年度的总股息为每一普通股13.0仙，股息支付率相等于82%。

展望未来

由于COVID-19的威胁持续加剧，尤其是我国仍在奋力抗疫中，我们谨慎展望2021年前景。见证了新冠疫情在去年大部分时间所带来的杀伤力，全球如火如荼地接种疫苗之举措深受欢迎，相信会在2021年为许多经济体与各行各业注入强心针。然而，全球经济可否在今年内重返到新冠疫情前水平则仍有待观察。

放眼未来，基本因素短期内可支撑原棕油价格保持强劲，然而随着天气趋向正常化后，产量预料会反弹，行情可能会在2021年下半年趋缓。

即便如此，棕油业长期前景仍保持正面，因为棕油在食用与非食用的用途皆十分广泛，是无可取代的卓越资源，而且全球人口与家庭收入皆持续增加，将提高其需求。

在这些需求驱动下，再加上油棕为最具生产力的农作物，产出经济实惠且用途广泛的食用油，都一再预示棕油未来前景俊俏，可作为永续发展解决方案，以满足全球持续增长的食用与燃料需求。

棕油业持续面对各种营运上的一般挑战，包括足够的人力资源需求以在马来西亚油棕园干活。由于马来西亚政府暂停了招聘外籍劳工，当前的疫情令此挑战更趋严峻。整体行业面对外劳净外流的困境，因为劳工遭遣返回国，却没有相应的新劳工填补空缺。

就此而言，即使我们的马来西亚业务尽可能在各方面机械化运作，减少对人力的依赖，然而机械化却无法完全取代劳工，尤其是收割工人，这一整年来的人手日趋紧绌。因此，若招聘外劳禁令不解除，我们预期将招致农作物损耗。我们在马来西亚园丘持续积极地招聘本地劳工，包括与有关当局合作、在社交媒体招聘宣传、在园丘公开面试，甚至提供特别薪金制给本地劳工，效果仍差强人意，无法满足园丘的人力需求。我们期盼有关当局会考虑解除招聘外劳的禁令。

即使在挑战重重之际，我们仍坚定不移地持守核心原则，这正是迄今支持着本集团前进的支柱。我们不仅坚定地专注效率并持续创新来创造价值，为本集团的净利作出贡献，也意味着我们将不会偏离实现本集团永续经营志向的道路。

本集团认同取得认证并不是衡量永续经营业务的唯一标准，正如过去多年来那样，我们继续采取实现愿景所不可或缺的步骤，以确保我们的业务与营运，纳入当地社区与环境的最佳利益为考量。在新冠疫情蔓延之际，我们推行粮食援助计划与捐赠物品，包括在在公开场所，例如学校、民众会堂与膜拜场所喷射消毒液，以协助我们园丘周围的当地社区。本集团亦在上个财政年对我们营运地区内的自然野生动植物和森林保护与管理略尽绵力。

表扬与鸣谢

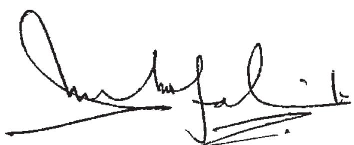
我谨代表董事部成员，感谢全体股东对我们的信任与信心，托付我们带领集团前进，以保障他们的最佳利益。董事部成员个别又集体尽力履行职责，不负所托，持守企业治理的最高标准，始终保持正直且负责。

我们衷心感激本集团的业务同伴与合作伙伴，以及监管团体与治理当局的全力支持与协助，令我们能够并肩作战，度过充满挑战的一年。

此外，我要衷心感谢本集团全体的管理层、雇员和员工，谢谢他们的专业精神与献身服务。云顶种植有限公司整个团队展现强稳职业道德与团结精神，这证明是至关重要因素，以确保本集团得以顺畅地运作与调整，来落实严格的标准作业程序，有关程序旨在保护本集团各个业务单位前线人员的健康。

在这一年荣获的表扬奖项，显明了本集团毫不松懈地追求卓越而有所成就，我欣然宣布云顶种植有限公司荣获《亚洲货币》旗下2020年亚洲最杰出公司大奖（马来西亚）评选的*"亚洲最杰出的公司—种植领域"*。有关评选表扬在各种商业领域与市场皆有杰出表现的本区域上市公司。

谢谢!



JEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (B)
主席
2021年2月24日

BOARD OF DIRECTORS

TAN SRI DATO' SRI ZALEHA BINTI ZAHARI
Independent Non-Executive Director

MR CHING YEW CHYE
Independent Non-Executive Director

MR QUAH CHEK TIN
Independent Non-Executive Director

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Independent Non-Executive Director

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Chairman/Independent Non-Executive Director

TAN SRI LIM KOK THAY
Deputy Chairman and Executive Director/ Non-Independent Executive Director

MR TAN KONG HAN
Chief Executive and Executive Director/ Non-Independent Executive Director

MR LIM KEONG HUI
Deputy Chief Executive and Executive Director/ Non-Independent Executive Director

MR YONG CHEE KONG
Independent Non-Executive Director

AUDIT COMMITTEE

MR QUAH CHEK TIN
Chairman/Independent Non-Executive Director

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Member/Independent Non-Executive Director

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Member/Independent Non-Executive Director

MR CHING YEW CHYE
Member/Independent Non-Executive Director

RISK MANAGEMENT COMMITTEE

MR QUAH CHEK TIN
Chairman/Independent Non-Executive Director

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Member/Independent Non-Executive Director

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Member/Independent Non-Executive Director

MR CHING YEW CHYE
Member/Independent Non-Executive Director

NOMINATION COMMITTEE

MR QUAH CHEK TIN
Chairman/Independent Non-Executive Director

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Member/Independent Non-Executive Director

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Member/Independent Non-Executive Director

REMUNERATION COMMITTEE

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Chairman/Independent Non-Executive Director

MR QUAH CHEK TIN
Member/Independent Non-Executive Director

MR CHING YEW CHYE
Member/Independent Non-Executive Director

DIRECTORS' PROFILE

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)

Chairman/Independent Non-Executive Director

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) (Malaysian, aged 72, male), appointed on 1 July 2005, is an Independent Non-Executive Director. He was appointed as the Chairman of the Company on 1 October 2011. He had a distinguished career in the Malaysian Armed Forces for nearly 40 years, before retiring from the Force on 30 April 2005. During the period as a professional military officer, he served 6 years 4 months as the Malaysian Chief of Defence Forces from 1 January 1999 and as the Chief of the Malaysian Army for one year from 1 January 1998. In international duties, he served as a Military Observer under the United Nations International Monitoring Group in Iraq after the Iran-Iraq War Ceasefire in 1988/1989.

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) is presently the Chairman of Lembaga Tabung Angkatan Tentera. He is a director of Genting Malaysia Berhad, Bintang Capital Partners Berhad, Bintulu Port Holdings Berhad, Affin Holdings Berhad, Only World Group Holdings Berhad and Sogo (K.L.) Department Store Sdn Bhd.

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) was made a Member of Dewan Negara Perak by DYMM Paduka Seri Sultan Perak on 25 November 2006 and is a Director/Trustee for the Board of Trustees of Yayasan Sultan Azlan Shah. On 23 April 2013, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) was appointed as Orang Kaya Bendahara Seri Maharaja Perak Darul Ridzuan by DYMM Paduka Seri Sultan Perak and the Dewan Negara Perak Darul Ridzuan. On 19 April 2014, he was bestowed with the Perak's highest award for commoners, the 'Darjah Kebesaran Seri Paduka Sultan Azlan Shah Perak Yang Amat Dimulia' (S.P.S.A), which carries the title "Dato' Seri DiRaja".

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) holds a Masters of Science degree in Defence and Strategic Studies from the Quaid-I-Azam University, Islamabad, Pakistan and had attended the Senior Executive Programme in Harvard University, United States of America, Command and General Staff College Philippines, Joint Services Staff College Australia and National Defence College Pakistan.

In June 2015, Asia Metropolitan University elected Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi (R) as the Chancellor of the University. In October 2016, Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi was conferred with an honorary doctorate in Management of Defense and Strategic Studies from National Defence University of Malaysia, also known as Universiti Pertahanan Nasional Malaysia.

Tan Sri Lim Kok Thay

Deputy Chairman and Executive Director/
Non-Independent Executive Director

Tan Sri Lim Kok Thay (Malaysian, aged 69, male), appointed on 29 September 1977, was the Chief Executive and Director until he relinquished his position as Chief Executive and assumed the position of Deputy Chairman and Executive Director on 1 January 2019. He holds a Bachelor of Science in Civil Engineering from the University of London. He attended the Programme for Management Development of Harvard Business School, Harvard University in 1979. He is a Honorary Professor of Xiamen University, China.

Tan Sri Lim is also the Chairman and Chief Executive of Genting Berhad; Chairman and Chief Executive Officer of Genting Hong Kong Limited ("GENHK"), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited; Executive Chairman of Genting Singapore Limited and the Chairman of Genting UK Plc. He was the Chairman and Chief Executive of Genting Malaysia Berhad ("GENM") until he was redesignated as the Deputy Chairman and Chief Executive of GENM on 27 August 2020. He is also a Director of Travellers International Hotel Group, Inc., which is an associate of GENHK and was listed on the Main Board of The Philippine Stock Exchange, Inc. until its voluntary delisting in October 2019. He joined the Genting Group in 1976 and has since served in various positions within the Group. He is a Founding Member, a Permanent Trustee and the Chairman of the Board of Trustees of The Community Chest, Malaysia. He also sits on the Boards of other Malaysian and foreign companies as well as the Boards of Trustees of several charitable organisations in Malaysia.

For his leadership excellence and significant contributions to the leisure and travel industry, he was named the "Travel Entrepreneur of the Year 2009" by Travel Trade Gazette (TTG) Asia, "The Most Influential Person in Asian Gaming 2009" by Inside Asian Gaming, "Asian Leader for Global Leisure and Entertainment Tourism 2011" by Seagull Philippines Inc. and "Lifetime Achievement Award for Corporate Philanthropy 2013" by World Chinese Economic Forum.

Mr Tan Kong Han

Chief Executive and Executive Director/
Non-Independent Executive Director

Mr Tan Kong Han , (Malaysian, aged 55, male), the Deputy Chief Executive since 1 December 2010, was appointed as the Chief Executive and Executive Director of the Company on 1 January 2019. He is also the President and Chief Operating Officer of Genting Berhad ("GENT"), the holding company and was appointed an Executive Director on 1 January 2020 and redesignated as President and Chief Operating Office and Executive Director of GENT, on the same day.

He has more than 13 years working experience in investment banking prior to joining Tanjong Public Limited Company as the Group Chief Operating Officer in 2003. He left Tanjong Public Limited Company in 2007 to join Genting Berhad. He read economics and law and has been conferred a Master of Arts degree by the University of Cambridge. Mr Tan was called to the English Bar (Lincoln's Inn) in 1989 and the Malaysian Bar in 1990.

He serves as a director of a variety of subsidiary companies within the Genting Berhad and Genting Plantations Berhad group. He is also a member of the Board of Trustees of Yayasan Genting and Yayasan Kebajikan Komuniti Malaysia, the Administrator of The Community Chest, Malaysia, a director of Asian Centre for Genomics Technology Berhad, GB Services Berhad and Genting RMTN Berhad, all of which are public companies as well as the Managing Director of Pan Malaysian Pools Sdn Bhd.

Mr Lim Keong Hui

Deputy Chief Executive and Executive Director/
Non-Independent Executive Director

Mr Lim Keong Hui (Malaysian, aged 36, male), appointed on 23 November 2011 as a Non-Independent Non-Executive Director, was redesignated as a Non-Independent Executive Director following his appointment as the Chief Information Officer ("CIO") of the Company on 1 January 2015. On 5 May 2017, Mr Lim was redesignated as Non-Independent Non-Executive Director of the Company following his resignation as the CIO of the Company. On 1 January 2019, he was redesignated as the Deputy Chief Executive and Executive Director of the Company.

He holds a Bachelor of Science (Honours) degree in Computer Science from the Queen Mary University of London, United Kingdom and a Master's Degree in International Marketing Management from Regent's Business School London, United Kingdom.

Mr Lim Keong Hui is a son of Tan Sri Lim Kok Thay, the Deputy Chairman and Executive Director of the Company. Both Tan Sri Lim Kok Thay and Mr Lim Keong Hui are major shareholders of the Company.

On 1 January 2019, he has redesignated as the Deputy Chief Executive and Executive Director of Genting Berhad ("GENT"). He was a Non-Independent Executive Director of GENT following his appointment as the Senior Vice President ("SVP") – Business Development on 1 March 2013 until he was redesignated as the Executive Director – Chairman's Office of GENT on 1 June 2013 and assumed additional role as the CIO on 1 January 2015. He was a Non-Independent Executive Director of Genting Malaysia Berhad ("GENM") following his appointment as the CIO of GENM on 1 January 2015. On 1 January 2019, he was redesignated as the Deputy Chief Executive and Executive Director of GENM. He is also a director of Genting UK Plc and a member of the Board of Trustees of Yayasan Lim Goh Tong.

Mr Lim was the Deputy Chief Executive Officer and Executive Director of Genting Hong Kong Limited ("GENHK") until he resigned on 28 August 2020. Prior to his appointment as the SVP – Business Development of GENT, he was the SVP - Business Development of GENHK until he was redesignated as the Executive Director – Chairman's Office of GENHK following his appointment as an Executive Director of GENHK on 7 June 2013. He had taken up additional role of CIO of GENHK since 1 December 2014. On 28 March 2019, Mr Lim had been appointed as the Deputy Chief Executive Officer of GENHK and was redesignated as the Deputy Chief Executive Officer and Executive Director of GENHK. Prior to joining GENHK in 2009, he had embarked on an investment banking career with The Hongkong and Shanghai Banking Corporation Limited.

Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)

Independent Non-Executive Director

Lt. Gen. Dato' Abdul Ghani bin Abdullah (R) (Malaysian, aged 79, male), appointed on 14 February 1996, was redesignated as an Independent Non-Executive Director on 21 May 2007.

Dato' Abdul Ghani retired as a Director of the Company pursuant to Section 129 of the Companies Act, 1965 at the conclusion of the Company's 39th Annual General Meeting of the Company held on 30 May 2017. On the same day, Dato' Abdul Ghani was appointed as an Independent Non-Executive Director of the Company pursuant to a resolution of the Board of Directors of the Company dated 30 May 2017.

Dato' Abdul Ghani has had a distinguished career with the Malaysian Armed Forces for 36 years. He was Field Army Commander before his retirement as a three star general. Prior to that, Dato' Abdul Ghani served in Kuching, Sarawak as Commander of the First Division for East Malaysia and earlier between 1990 and 1993 commanded the Armed Forces' Strategic Division with the rank of Major General. His long army career also saw Dato' Abdul Ghani doing planning and logistics at the Ministry of Defence and attending training programs at the US Army Intelligence School, Defence Services Staff College in India, the Joint Services Staff College in Canberra and the National Defence College in Pakistan. Dato' Abdul Ghani holds a Masters of Science in Defence and Strategic Studies.

Mr Quah Chek Tin

Independent Non-Executive Director

Mr Quah Chek Tin (Malaysian, aged 69, male), appointed on 19 October 2001, was redesignated as an Independent Non-Executive Director on 8 October 2008.

He began his career with Coopers & Lybrand London, before returning to Malaysia. He joined the Genting Group in 1979 and has served in various positions within the Group. He was the Executive Director of Genting Berhad as well as the Executive Director and Chief Operating Officer of Genting Malaysia Berhad prior to his retirement in October 2006. He holds a Bachelor of Science (Honours) degree in Economics from the London School of Economics and Political Science and is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants.

In addition, he sits on the Boards of Genting Malaysia Berhad and Batu Kawan Berhad.

Mr Ching Yew Chye

Independent Non-Executive Director

Mr Ching Yew Chye (Malaysian, aged 67, male), appointed on 23 November 2011, is an Independent Non-Executive Director. He holds an Honours Degree in Computer Science from the University of London.

He is a seasoned management and information technology professional with more than 25 years of experience. He held various management positions in Accenture until his retirement in 2007 as a senior partner of Accenture, a global management consulting, technology services and outsourcing company.

During his career with Accenture, he worked primarily with clients in the financial services industry in ASEAN. Major client assignments included strategic information planning, design and implementation of major information technology systems, bank reorganisation and operational integration arising from bank mergers. He is also a director of YTL Starhill Global Reit Management Limited, United Overseas Bank (Malaysia) Bhd and the Chairman of AIA Bhd and AIA General Berhad.

Mr Yong Chee Kong

Independent Non-Executive Director

Mr Yong Chee Kong (Malaysian, aged 66, male), appointed on 1 January 2018 as a Non-Independent Non-Executive Director, was redesignated as an Independent Non-Executive Director on 1 December 2019.

He pursued his accountancy studies in Tunku Abdul Rahman University College. He is a Fellow of the Association of Chartered Certified Accountants, an Associate of the Institute of Chartered Secretaries and Administrators and a member of the Malaysian Institute of Accountants. In 1999, he attended the Advanced Management Program in Harvard Business School, Harvard University.

He joined Genting Berhad in 1985 and was appointed as Chief Financial Officer of Genting Plantations Berhad in 1991. In 2006, he was promoted to Chief Operating Officer and in 2010 as President & Chief Operating Officer of Genting Plantations Berhad, a position he held till his retirement on 1 July 2017. Prior to joining the Genting Group, he was attached to the Inland Revenue Department of Malaysia and two major international accounting firms.

Tan Sri Dato' Sri Zaleha binti Zahari

Independent Non-Executive Director

Tan Sri Dato' Sri Zaleha binti Zahari (Malaysian, aged 72, female), appointed on 26 February 2018, is an Independent Non-Executive Director. Having qualified as a Barrister-at-Law, Middle Temple, London in 1971, she joined the Judicial and Legal Service. In the twenty years of her service, she had, inter alia, served as a Magistrate, Senior Assistant Registrar of the High Court, Deputy Public Prosecutor as well as a Legal Adviser to the Ministry of Education, the Economic Planning Unit, the Ministry of Home Affairs as well as the Department of Inland Revenue. She was the Head of the Civil Division in the Attorney General's Chambers prior to being appointed as a Judge of the Superior Bench.

She was initially appointed as a Judicial Commissioner and subsequently as Judge of the High Court, then Court of Appeal Judge and thereafter, as a Federal Court Judge.

After her retirement from the Bench, she was appointed as an Independent Non-Executive Director of the Ombudsman of Financial Services. She was the Chairman of the Operations Review Panel of the Malaysian Anti-Corruption Commission for a period of three years from 15 August 2016 to 14 August 2019.

Notes:

The details of Directors' attendances at Board Meetings are set out in the Corporate Governance Overview Statement on page 43 of this Annual Report.

The details of the Board Committees where certain Directors are also members are set out on pages 10 and 11 of this Annual Report.

Save as disclosed, the above Directors have no family relationship with any Director and/or major shareholder of Genting Plantations Berhad, have no conflict of interest with Genting Plantations Berhad, have not been convicted for any offence within the past five years and have no public sanction or penalty imposed by relevant regulatory bodies during the financial year.

MANAGEMENT & CORPORATE INFORMATION

PRINCIPAL EXECUTIVE OFFICERS' PROFILE

TAN SRI LIM KOK THAY
Deputy Chairman and Executive Director

His profile is disclosed in the Directors' Profile on page 13 of this Annual Report.

MR TAN KONG HAN
Chief Executive and Executive Director

His profile is disclosed in the Directors' Profile on page 14 of this Annual Report.

MR LIM KEONG HUI
Deputy Chief Executive and Executive Director

His profile is disclosed in the Directors' Profile on page 15 of this Annual Report.

MR TAN WEE KOK
President & Chief Operating Officer

Mr Tan Wee Kok, (Malaysian, aged 55, male), was promoted to President & Chief Operating Officer on 1 July 2017 after holding the position of Chief Financial Officer of the Company since 1 January 2009. He graduated with a Bachelor of Accounting (Hons.) degree from University of Malaya. He is a member of the Malaysian Institute of Certified Public Accountants and a member of the Malaysian Institute of Accountants. Prior to this appointment, he was the Senior Vice President – Corporate, in charge of corporate affairs and strategic planning, new projects and investments, as well as investor relations. He started his career with PricewaterhouseCoopers in 1991 and later joined Malaysia Mining Corporation Berhad as the Corporate Planner in 1995. He joined Genting Plantations Berhad ("GENP") in 1997. Currently, he holds directorships in various subsidiaries within the GENP Group and is a director of Asian Centre for Genomics Technology Berhad, a public company.

Mr Tan Wee Kok does not have family relationship with any Director and/or major shareholders of GENP, has no conflict of interest with GENP, has not been convicted for any offences within the past five years and has no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MR NG SAY BENG
Chief Financial Officer

Mr Ng Say Beng (Malaysian, aged 55, male) was appointed the Chief Financial Officer of Genting Plantations Berhad ("GENP") on 17 August 2020. He holds a professional qualification from the Institute of Chartered Accountants in England and Wales and is a member of the Malaysian Institute of Accountants and the Chartered Tax Institute of Malaysia.

He has worked with PricewaterhouseCoopers and other listed entities prior to joining GENP in 2013. Prior to his appointment as Chief Financial Officer, he was the Senior Vice President – Finance for Indonesia. Currently, he holds directorships in various subsidiaries within the GENP Group and is a director of Benih Restu Berhad, a public company.

Mr Ng Say Beng does not have family relationship with any Director and/or major shareholders of GENP, has no conflict of interest with GENP, has not been convicted for any offences within the past five years and has no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT

TAN SRI LIM KOK THAY
Deputy Chairman and Executive Director

MR TAN KONG HAN
Chief Executive and Executive Director

MR LIM KEONG HUI
Deputy Chief Executive and Executive Director

MR TAN WEE KOK
President & Chief Operating Officer

MR NG SAY BENG
Chief Financial Officer

PLANTATION
MR TAN CHENG HUAT
Executive Vice President

PROPERTY
MR LEE SER WOR
Executive Vice President

DOWNSTREAM MANUFACTURING
MR CHOO HUAN BOON
Senior Vice President

BIOTECHNOLOGY
MR LEE WENG WAH
Vice President

CORPORATE INFORMATION

GENTING PLANTATIONS BERHAD

A public limited liability company
Incorporated and domiciled in Malaysia
Registration No. 197701003946 (34993-X)

REGISTERED OFFICE

24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : (603) 2178 2288/2333 2288
Fax : (603) 2161 5304
E-mail : gpbinfo@genting.com

REGISTRARS

Genting Management and Consultancy Services Sdn Bhd
24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : (603) 2178 2266/2333 2266
Fax : (603) 2161 5304

SECRETARY

Ms Loh Bee Hong
MAICSA 7001361
SSM Practicing Certificate No. 202008000906

CORPORATE HEAD OFFICE/ PRINCIPAL PLACE OF BUSINESS

10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : (603) 2178 2255/2333 2255
Fax : (603) 2161 6149

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Listed on 30 August 1982)

Stock Name : GENP
Stock Code : 2291

AUDITORS

PricewaterhouseCoopers PLT
(Chartered Accountants)

INTERNET HOMEPAGE

www.gentingplantations.com

CORPORATE DIARY

2020

12 FEBRUARY 2020
Announcement on the proposed unwinding of the Share Sale and Purchase Agreement dated 11 July 2014 between Genting Plantations Berhad ("GENP") and Elevance Renewable Sciences Singapore Pte Ltd ("ERS Singapore") for the disposal by GENP of 72 million fully paid-up ordinary shares representing 25% of the entire share capital of Genting Biorefinery Sdn Bhd to ERS Singapore for a cash consideration of RM72.0 million ("Proposed Unwinding").

18 FEBRUARY 2020
Announcement on the completion of the Proposed Unwinding on 18 February 2020.

26 FEBRUARY 2020
Announcement on the Consolidated Unaudited Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2019.

20 MAY 2020
Announcement on the Consolidated Unaudited Results of the Group for the first quarter ended 31 March 2020.

22 MAY 2020
Announcement on the following :
(a) Proposed renewal of the shareholders' mandate on recurrent related party transactions of a revenue or trading nature.
(b) Entitlement date for the proposed Final Single-Tier Dividend for the financial year ended 31 December 2019.
(c) Proposed renewal of the authority for the Company to purchase its own shares.

28 MAY 2020
Notice to shareholders of the Forty-Second Annual General Meeting.

19 JUNE 2020
Forty-Second Annual General Meeting.

17 AUGUST 2020
Appointment of Mr Ng Say Beng as the new Chief Financial Officer of the Company in place of Mr Lee Ser Wor who had been transferred to assume another position within the Group.

26 AUGUST 2020
Announcement on the following :
(a) Consolidated Unaudited Results of the Group for the second quarter ended 30 June 2020.
(b) Entitlement date for the Interim Single-Tier Dividend in respect of the financial year ended 31 December 2020.

25 NOVEMBER 2020
Announcement on the Consolidated Unaudited Results of the Group for the third quarter ended 30 September 2020.

2021

24 FEBRUARY 2021
Announcement on the following :
(a) Consolidated Unaudited Results of the Group for the fourth quarter and the Audited Results for the financial year ended 31 December 2020.
(b) Entitlement date for the Special Single-Tier Dividend in respect of the financial year ended 31 December 2020.

1 APRIL 2021
Announcement on the following :
(a) Proposed renewal of the shareholders' mandate on recurrent related party transactions of a revenue or trading nature.
(b) Entitlement date for the proposed Final Single-Tier Dividend for the financial year ended 31 December 2020.
(c) Proposed renewal of the authority for the Company to purchase its own shares.

DIVIDENDS		Announcement	Entitlement Date	Payment
2019	Final Single-Tier – 9.5 sen per ordinary share	26 February 2020	30 June 2020	20 July 2020
2020	Interim Single-Tier – 6.0 sen per ordinary share	26 August 2020	10 September 2020	24 September 2020
2020	Special Single-Tier - 11.0 sen per ordinary share	24 February 2021	12 March 2021	30 March 2021
2020	Proposed Final Single-Tier – 4.0 sen per ordinary share	24 February 2021	3 June 2021	22 June 2021*

** Upon approval of shareholders at the Forty-Third Annual General Meeting.*

FINANCIAL HIGHLIGHTS
2020

REVENUE
RM2,498.2 MILLION
2019: RM2,266.4 million

MARKET CAPITALISATION
RM8.84 BILLION
AS AT 31 DECEMBER 2020

ADJUSTED EBITDA*
RM590.0 MILLION
2019: RM433.0 million

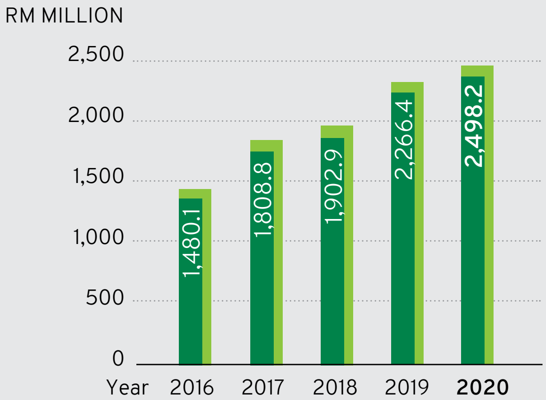
TOTAL EQUITY
RM5.0 BILLION
2019: RM5.1 billion

NET PROFIT
RM251.2 MILLION
2019: RM130.4 million

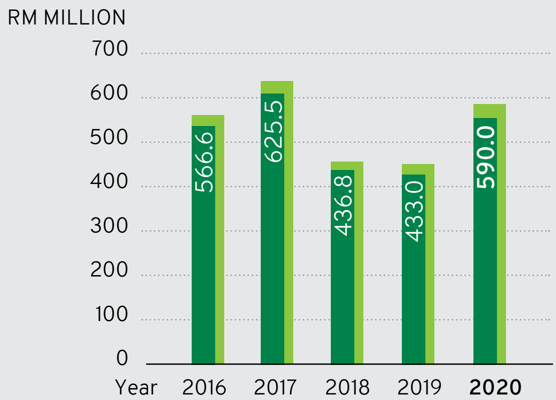
TOTAL ASSETS EMPLOYED
RM8.4 BILLION
2019: RM8.5 billion

* EBITDA refers to earnings before interest, tax, depreciation and amortisation.

REVENUE

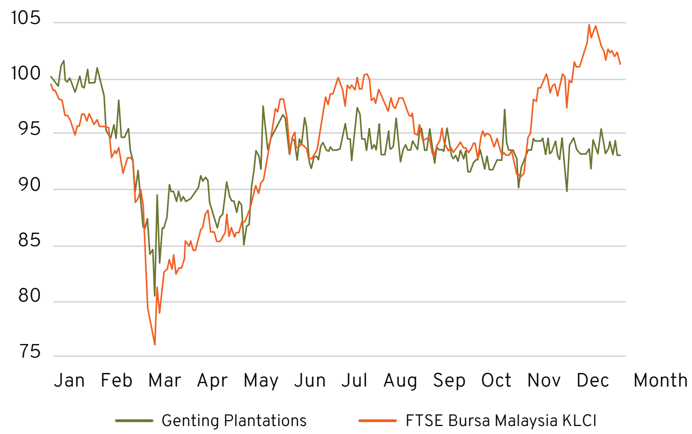


ADJUSTED EBITDA



2020 GENTING PLANTATIONS SHARE PRICE PERFORMANCE RELATIVE TO FTSE BURSA MALAYSIA KLCI

Normalised data (rebased to 100)



Source - Bloomberg

All figures are in Ringgit Malaysia

TOP 10 BURSA MALAYSIA PLANTATION COMPANIES

	By Market Capitalisation (31 Dec 2020)	RM billion
1	Sime Darby Plantation Berhad	34.35
2	IOI Corporation Berhad	27.38
3	Kuala Lumpur Kepong Berhad	25.54
4	**Genting Plantations Berhad**	**8.84**
5	Batu Kawan Berhad	7.09
6	United Plantations Berhad	6.00
7	FGV Holdings Berhad	4.67
8	Sarawak Oil Palms Berhad	2.28
9	Far East Holdings Berhad	1.67
10	IJM Plantations Berhad	1.60

Sources - Bursa Malaysia & Bloomberg

FIVE-YEAR SUMMARY

Amount in RM'000 unless otherwise stated	2020	2019	2018	2017[1]	2016[2]
Revenue	2,498,168	2,266,402	1,902,899	1,808,774	1,480,079
Adjusted EBITDA	590,024	433,036	436,758	625,548	566,637
Profit before taxation	323,209	185,465	207,736	457,293	448,771
Taxation	(71,980)	(55,046)	(60,783)	(115,406)	(121,280)
Profit for the financial year	251,229	130,419	146,953	341,887	327,491
Profit attributable to equity holders of the Company	254,356	142,074	164,898	335,089	338,213
Share capital	1,724,016	1,724,016	863,267	841,340	397,019
Treasury shares	(1,372)	(1,372)	(1,372)	(1,372)	(1,372)
Retained earnings	3,563,257	3,466,900	3,428,873	3,465,165	3,297,472
Other reserves	(370,975)	(316,425)	(170,198)	36,542	587,806
	4,914,926	4,873,119	4,120,570	4,341,675	4,280,925
Non-controlling interests	122,729	186,474	191,873	231,334	255,380
Total equity	5,037,655	5,059,593	4,312,443	4,573,009	4,536,305
Borrowings and lease liabilities (non-current)	2,296,867	2,109,334	2,279,367	2,559,068	2,315,708
Borrowings and lease liabilities (current)	305,965	487,884	507,011	639,939	29,097
Total capital	7,640,487	7,656,811	7,098,821	7,772,016	6,881,110
Property, plant and equipment	4,267,582	4,365,549	4,419,409	4,425,151	3,811,281
Land held for property development	239,776	243,580	246,594	254,655	254,825
Investment properties	22,498	23,052	24,484	25,115	25,517
Leasehold land use rights	-	-	664,644	641,053	495,758
Right of use assets	964,069	963,141	-	-	-
Intangible assets	38,735	32,558	32,832	32,189	34,628
Joint ventures	225,307	196,453	148,809	108,096	77,894
Associates	13,780	10,136	9,644	12,871	12,501
Available-for-sale financial assets	-	-	-	94,548	143,170
Financial assets at fair value through profit or loss	3,381	3,263	3,073	-	-
Other non-current assets	167,398	50,312	38,000	12,897	14,361
Deferred tax assets	52,724	78,965	110,850	105,743	92,556
Total non-current assets	5,995,250	5,967,009	5,698,339	5,712,318	4,962,491
Current assets	2,445,503	2,493,191	2,135,979	2,761,007	2,513,023
Total assets	8,440,753	8,460,200	7,834,318	8,473,325	7,475,514
Basic earnings per share (sen)	28.4	16.6	20.5	41.8	42.8
Net dividend per share (sen)	21.0	13.0	13.0	26.0	21.0
Dividend cover (times)	1.4	1.3	1.6	1.6	2.0
Current ratio	3.3	2.7	2.4	2.8	5.5
Net assets per share (RM)	5.48	5.43	5.12	5.40	5.39
Return (after tax and non-controlling interests) on average shareholders' equity (%)	5.2	3.2	3.9	7.8	8.3
Market share price					
- highest (RM)	10.80	10.80	10.72	11.72	11.56
- lowest (RM)	8.50	9.36	9.06	10.28	10.02

Notes: [1] Restated following the first-time adoption of Malaysian Financial Reporting Standards ("MFRS") framework.
[2] The comparatives have not been restated for the first-time adoption of MFRS framework and reclassifications made in 2018.

OPERATIONS

	2020	2019	2018	2017	2016
OIL PALM					
FFB Production* (mt)	2,085,385	2,193,814	2,083,405	1,883,945	1,614,137
Yield Per Mature Hectare (mt)	17.9	18.5	18.2	18.4	17.5
Average Selling Prices					
Crude Palm Oil (RM/mt)	2,511	2,048	2,117	2,715	2,631
Palm Kernel (RM/mt)	1,519	1,179	1,681	2,443	2,477

* excluding *Plasma*

LAND AREAS

HECTARES	**2020**	2019	2018	2017	2016
Oil Palm					
Mature	111,522	112,771	112,822	110,285	92,691
Immature	27,703	30,558	31,005	33,619	38,468
	139,225	143,329	143,827	143,904	131,159
Oil Palm (*Plasma*)					
Mature	15,675	12,088	11,552	11,446	7,756
Immature	4,621	3,766	3,746	3,852	2,271
	20,296	15,854	15,298	15,298	10,027
TOTAL PLANTED AREA	159,521	159,183	159,125	159,202	141,186
Unplanted Area	76,913	77,025	81,691	81,998	113,903
Buildings, Infrastructure, etc.	6,806	6,333	6,332	6,143	6,023
Property Development	206	245	310	312	309
TOTAL LAND AREA	243,446	242,786	247,458	247,655	261,421

LIST OF GROUP PROPERTIES

AS AT 31 DECEMBER 2020

Location	Tenure	Year Of Expiry	Hectares		Description	Age Of Buildings (years)	Year Of Acquistion/ Revaluation*	Net Book Value As At 31 Dec 2020 (RM000)
			Plantation	Property Developement				
PENINSULAR MALAYSIA								
A. NORTH								
1. Genting Bukit Sembilan Estate,Baling/ Jitra, Kedah	Freehold		1,241				1981*	12,328
2. Genting Selama Estate, Serdang & Kulim, Kedah/Selama, Perak	Freehold		1,830				1981*	26,887
B. CENTRAL								
3. Genting Tebong Estate, Jasin, Melaka Tengah, Alor Gajah & Kuala Linggi, Melaka/Tampin & Kuala Pilah, Negeri Sembilan	Freehold		3,009	1			1981*	49,746
4. Genting Tanah Merah Estate, Sepang, Selangor/Tangkak, Johor	Freehold		2,233				1981*	51,026
C. SOUTH								
5. Genting Sri Gading Estate, Batu Pahat, Johor	Freehold		3,520	147			1983, 1996	146,829
6. Genting Sungei Rayat Estate, Batu Pahat, Air Hitam, Johor	Freehold		2,376			40	1983	45,870
7. Genting Kulai Besar Estate, Kulai/ Simpang Renggam, Johor	Freehold		2,513	54			1983, 1996	204,869
SABAH								
8. Genting Sabapalm Estate, Labuk Valley, Sandakan	Leasehold	2085,2887	4,360			50	1991	56,961
9. Genting Tanjung Estate, Kinabatangan	Leasehold	2086, 2096	4,345			26	1988, 2001	58,041
10. Genting Bahagia Estate,Kinabatangan	Leasehold	2085, 2086	4,548				1988, 2003	40,979
11. Genting Tenegang Estate, Kinabatangan	Leasehold	2088	3,653				1990	26,848
12. Genting Landworthy Estate, Kinabatangan	Leasehold	2083	4,039				1992	24,147
13. Genting Layang Estate, Kinabatangan	Leasehold	2090	2,077				1993	17,049
14. Genting Jambongan Estate, Beluran	Leasehold	2033 - 2100, 2043, 2044, 2045	4,062			7	2001 - 2004, 2014, 2015, 2016	101,777
15. Genting Indah, Genting Permai & Genting Kencana Estates, Kinabatangan	Leasehold	2096	8,182			12	2001	143,467
16. Genting Mewah & Genting Lokan Estates, Kinabatangan	Leasehold	2083 - 2890	5,611			24	2002	90,680
17. Genting Sekong & Genting Suan Lamba Estates, Kinabatangan	Leasehold	2022 - 2098	6,755			24	2004	143,468
INDONESIA								
18. Ketapang, Kalimantan Barat	Leasehold	2037, 2044, 2046, 2051, *Note*	38,787			8	2006, 2009, 2011, 2014, 2016	623,099
19. Sanggau, Kalimantan Barat	Leasehold	2053, *Note*	25,596				2010, 2016	450,844
20. Sintang, Kalimantan Barat	Leasehold	*Note*	11,727				2016	90,359
21. Kapuas & Barito Selatan, Kalimantan Tengah	Leasehold	2054, *Note*	81,182			7 & 5	2008, 2012, 2015	1,760,759
22. Tapin, Kalimantan Selatan	Leasehold	2044	14,661			4	2017	702,619
OTHER PROPERTIES OWNED								
23. Wisma Genting Plantations, Sandakan, Sabah	Leasehold	2100	2,023 (sq.m)			18	2004	2,972
24. Residential Bungalows, Sandakan, Sabah	Leasehold	2887	1,206 (sq.m)			36	1991	103
25. Genting Vegetable Oils Refinery, Sandakan, Sabah	Leasehold	2080	8				1992	1,778
26. Genting Integrated Biorefinery Complex, Lahad Datu, Sabah	Leasehold	2104, 2105	41.50			13	2011, 2014, 2015	76,632
27. Commercial land, Segambut, Kuala Lumpur	Leasehold	2074		4		2	2016	74,274
28. Office Space at DBS Bank Tower 15th Floor, Ciputra World 1 Jakarta, Indonesia	Leasehold	2027	1,923 (sq.m)			7	2017	22,542
29. Office Space, Kalimantan Selatan	Leasehold	2043	349 (sq.m)			7	2017	840
30. Office Space, Kalimantan Selatan	Leasehold	2036	75 (sq.m)			10	2018	527

Plantation
Property Development
Downstream Manufacturing
Mill
Office
Vacant Land
Residential Bungalow
Factory
The Gasoline Tree™ Experimental Research Station
Genting Indahpura Car City
Genting Indahpura Sports City
Seed Garden

Note: Yet to be determined

LOCATION OF GROUP PROPERTIES

Peninsular Malaysia

Plantation
- Genting Bukit Sembilan Estate
- Genting Selama Estate
- Genting Tebong Estate
- Genting Tanah Merah Estate
- Genting Sri Gading Estate
- Genting Sungei Rayat Estate
- Genting Kulai Besar Estate

Oil Mill
- Genting Ayer Item Oil Mill

Property
- Genting Indahpura
- Genting Pura Kencana
- Genting Cheng Perdana
- Johor Premium Outlets®
- Genting Highlands Premium Outlets®
- Segambut Land

Biotechnology
- ACGT Laboratories
- The Gasoline Tree™ Experimental Research Station

Sabah

Plantation
- Genting Sabapalm Estate
- Genting Indah Estate
- Genting Permai Estate
- Genting Kencana Estate
- Genting Mewah Estate
- Genting Lokan Estate
- Genting Sekong Estate
- Genting Suan Lamba Estate
- Genting Jambongan Estate
- Genting Tanjung Estate
- Genting Bahagia Estate
- Genting Tenegang Estate
- Genting Landworthy Estate
- Genting Layang Estate

Sabah

Oil Mill
- Genting Sabapalm Oil Mill
- Genting Mewah Oil Mill
- Genting Trushidup Oil Mill
- Genting Indah Oil Mill
- Genting Tanjung Oil Mill
- Genting Jambongan Oil Mill

Downstream Manufacturing
- Genting Integrated Biorefinery Complex

Sarawak

Oil Mill
- Serian Palm Oil Mill

Indonesia

Plantation
- Mulia Estates
- Abadi Estates
- Surya Estates
- Cemerlang Estates
- Mangkatip Estates
- Bakuta Estates
- Lamunti Estates
- UAI Estates
- AAC Estates
- PALJ Estates
- KIU Estates
- DWK Estates
- SP Estates
- KMJ Estates

Oil Mill
- Mulia Oil Mill
- Golden Hill Oil Mill
- Globalindo Oil Mill
- KIU Oil Mill
- Cemerlang Oil Mill

MANAGEMENT'S DISCUSSION AND ANALYSIS OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

DESCRIPTION OF OUR GROUP'S BUSINESS AND STRATEGIES

Genting Plantations Berhad ("our Group") commenced operations in 1980 and its principal business is in oil palm plantations. As of 31 December 2020, our Group has a landbank of approximately 243,500 hectares where about 64,600 hectares are located in Malaysia and some 178,900 hectares (including the *Plasma* schemes) in Indonesia. Our Group owns seven oil mills in Malaysia and five in Indonesia, with a total milling capacity of 665 mt per hour. Genting Plantations Berhad has also diversified into property development, biotechnology and the manufacturing of downstream palm-based products.

Our Group is focused on delivering value enhancement and better returns to our shareholders. For our mainstay Plantation Division, our Group continuously explores opportunities to expand through value-accretive investments for future growth while progressively planting up areas in our existing landbank. At the same time, we are intent on managing cost and yield improvements through better agronomic practices, innovative technology and operational efficiency.

For the Property Division, we continuously identify and develop our strategically-located landbank for property development. We have also invested significantly in the Biotechnology Division to apply genomics-based solutions to improve crop productivity and sustainability. In addition, our Downstream Manufacturing Division produces downstream products which are synergistic to our core plantation business as part of our Group's strategy to further enhance our Group's competitive strengths.

FINANCIAL REVIEW

Revenue

Our Group's revenue for the financial year ended 31 December 2020 ("FY 2020") was RM2.50 billion, representing a 10% year-on-year growth.

The year-on-year improvement was underpinned by stronger palm products prices which more than compensated for the decline in FFB production, drop in property sales and lower biodiesel sales volume. The lower FFB production was attributable to the lagged effect of adverse weather conditions in 2019, along with a decline in harvesting areas in Malaysia from replanting activities.

CPO prices experienced high volatility in the wake of the COVID-19 pandemic in FY 2020, starting the year at above RM3,000 per mt, slipping to circa RM2,000 per mt in May before recovering and climbing to RM3,788 per mt by the end of the year, buoyed by a range of factors including the decline in inventory levels from tightening of supply, sustained demand and stronger soybean oil prices. Reflective of this, our Group achieved a higher year-on-year average CPO price of RM2,511 for FY 2020. Meanwhile, our Group's palm kernel selling price for FY 2020 was similarly higher year-on-year at RM1,519 per mt, in line with the movement of CPO prices.

	Financial Year ended 31 December		
	2020	2019	Change (%)
Average Selling Price/mt (RM)			
CPO	**2,511**	2,048	+23
PK	**1,519**	1,179	+29
FFB Production ('000mt)	**2,085**	2,194	-5

Costs and Expenses

For FY 2020, total costs and expenses before finance costs and share of results in joint ventures and associates increased to RM2.18 billion from RM2.09 billion in the previous year principally arising from higher cost of sales of the Downstream Manufacturing segment.

EBITDA

In line with the year-on-year increase in revenue, our Group's adjusted EBITDA for FY 2020 recorded a 36% growth at RM590.0 million due to the notably improved contribution from the Plantation segment although this was partly offset by lower contribution from the Property and Downstream Manufacturing segments.

a) Plantation segment
For FY 2020, the Plantation segment registered a 56% improvement in adjusted EBITDA to RM527.0 million on account of higher palm products prices but partly moderated by a 5% decrease in FFB production.

b) Property segment
The Property segment's adjusted EBITDA for FY 2020 of RM20.4 million dipped year-on-year due to weaker sales and slower progress of construction works.

c) Biotechnology segment
The Biotechnology segment's results improved year-on-year, in line with its lower research and development expenditure and higher revenue.

d) Downstream Manufacturing segment
The Downstream Manufacturing segment posted lower year-on-year adjusted EBITDA of RM33.5 million for FY 2020, mainly due to lower sales volume and capacity utilisation, coupled with lower margins.

e) Others
The year-on-year movement in FY 2020 was mainly due to the impact of changes in foreign currency translation position of our Group's US Dollar denominated cash reserves and borrowings arising from foreign exchange fluctuations along with returns from investment in income funds.

Other Income

Other income for FY 2020 of RM60.5 million was marginally lower year-on-year mainly due to lower interest income offset by a gain on disposal of an investment property.

Finance Cost

Finance cost for FY 2020 of RM91.5 million was 12% lower year-on-year in line with the lower borrowing rates.

Taxation

The effective tax rate for FY 2020 was lower than the statutory tax rate mainly due to lower tax rates in certain jurisdictions and income not subject to tax, partially offset by expenses not deductible for tax purposes and tax losses of certain subsidiaries where deferred tax assets have not been recognised.

Profit Attributable to Equity Holders of the Company

In line with the higher year-on-year EBITDA, profit attributable to equity holders of the Company for FY 2020 increased 79% year-on-year to RM254.4 million, whilst earnings per share of our Group improved 71% year-on-year to 28.35 sen accordingly.

Liquidity and Capital Resources

Our Group's cash and cash equivalents as at 31 December 2020 decreased marginally year-on-year to RM943.6 million mainly due to the net effects of the following:-

a) Net cash inflow generated from operating activities of RM449.9 million contributed mostly by the Plantation segment.

b) An outflow of RM245.0 million from investing activities mainly for capital expenditure of RM292.7 million but partly cushioned by an aggregate of RM34.7 million derived from interest received and investment income. In addition, our Group received RM10.3 million and RM12.4 million from Government acquisition of land and disposal of assets respectively.

c) A net cash outflow of RM218.0 million for financing activities, mainly for payments of dividend amounting to RM141.2 million and finance cost paid of RM105.3 million. This was moderated by a net drawdown of bank borrowings of RM46.7 million.

Gearing

The Group's gearing ratio remained at 34% as at 31 December 2020, similar to a year ago. The gearing ratio is calculated as total debts divided by total capital where total debts is calculated as total borrowings (including "current and non-current borrowings") plus lease liabilities as shown in the Statement of Financial Position. Total capital is calculated as the sum of total equity plus total debts.

Prospects

The Group's prospects for 2021 will track the performance of its mainstay Plantation segment, which is in turn dependent principally on the movements in palm products prices and the Group's FFB production.

Palm product prices maintained their upward trajectory and remained buoyant, sustained by factors such as depleted inventory levels and supply tightness. The Group expects palm products prices to continue to be influenced by factors such as the demand and supply dynamics of palm oil and substitute oils and fats, global economic conditions and the implementation of higher biodiesel mandates by Indonesia and Malaysia. These factors are in turn contingent on the impact from the prolonged COVID-19 situation.

The Group anticipates the resumption of overall growth in FFB production for 2021 driven mainly by its additional mature areas and better age profile in Indonesia. However, crop production may still be affected by the lingering effects of adverse weather conditions across Malaysia and Indonesia in preceding years, whilst replanting activities are also expected to moderate production from Malaysia estates.

For the Property segment, the Group will continue to offer products which cater to a broader market segment given the prevailing soft market sentiments. Meanwhile, patronage and sales of the Premium Outlets® will continue to be adversely affected until the COVID-19 situation has eased.

The Biotechnology segment will continue its work on developing commercial solutions and applications to enhance the yield and productivity of oil palm.

The outlook for the Downstream Manufacturing segment in 2021 will continue to be challenging due to the unfavourable palm oil-gas oil ("POGO") spread and uncertain demand outlook for its products in the wake of the COVID-19 pandemic.

REVIEW OF OPERATIONS

Replanted fields at Genting Tanjung Estate

Plantation

2020 was an unprecedented year on all accounts and saw contrasting developments for the palm oil industry. The low biological crop cycle and capricious weather patterns had adverse effects on fresh fruit bunch ("FFB") production in the two largest producing countries, Malaysia and Indonesia, curtailing the growth trajectory experienced in previous years and caused an unexpected overall decline instead.

Although the drop in production was somewhat of a dampener, the palm oil market's bullish price dynamics definitely provided a huge boost. Bolstered by a recovery in demand as well as supply shortfall in the second half of 2020, CPO prices strengthened rapidly to end the year at RM3,788 per mt.

Against this backdrop, the Plantation Division turned in a better financial performance in 2020. Revenue was 15% higher at RM1,458.6 million compared with RM1,268.6 million in 2019, while adjusted EBITDA rose by 56% to RM527.0 million from RM336.9 million a year earlier.

Our Group's achieved selling prices for the year strengthened considerably, averaging 23% and 29% higher at RM2,511 per mt for CPO and RM1,519 per mt for PK respectively, when compared to the previous year.

On the other hand, the Group's FFB production registered a 5% year-on-year decline in 2020, due to a combination of factors starting off with the lagged effect of dry weather conditions during the first half of 2019 in Malaysia as well as during the third quarter of 2019 at our Indonesia estates. Secondly, most of our Indonesian estates also experienced unfavourable weather conditions for the greater part of 2020, where 5-year record high rainfall was registered, and this had brought about challenges in terms of harvesting and crop evacuation. Lastly, the temporary suspension of operations from 25 March till 11 April 2020 during the MCO also affected the production of our Sabah estates.

Consequently, the Group's FFB yield also declined to 17.9 mt per hectare compared to the 18.5 mt per hectare recorded in the previous year.

On the processing side, our Group's oil mills recorded an average oil extraction rate of 21.3%, a marginal decrease compared to 21.6% in 2019, due to the higher rainfall in 2020 and crop quality challenges.

In anticipation of the future increase in crop production, processing capacities were expanded during the year with the commissioning of our Group's fifth palm oil mill in Indonesia in December 2020. Cemerlang Oil Mill, which has

KIU Oil Mill is the Group's second ISPO-certified mill

a capacity of 60 mt per hour, caters to the growing harvest from our Group's estates in Kalimantan Barat and increased the milling capacity of our Group's Indonesian mills to 370 mt per hour.

As crop production in Indonesia is expected to continue increasing in the forthcoming years, our Group commenced construction of another new palm oil mill during the second half of 2020 and is expected to be completed in 2022. When commissioned, this new mill will add another 40 mt per hour to our Group's processing capacity and will be our Group's third in Kalimantan Tengah.

For our Group's Malaysian operations, a total of about 12,000 hectares have been planted under our Group's replanting roadmap, which started in 2017 as part of our continuous efforts to achieve better yields.

One mainstay underlying all aspects of our Group's plantation operations is the pursuit of continuous improvement. Putting this into action, our Group rolled out the pilot implementation of a digital application for wage payments for the benefit of our workers. This e-wallet platform is convenient and allows seamless money transactions directly to the workers' family.

Our Group's commitment towards sustainability was most visibly demonstrated in our continued engagement with industry certification bodies for our Group's operations. To date, seven of our oil mills and nineteen of our estates have been certified by the Roundtable for Sustainable Palm Oil ("RSPO"). In addition, all seven oil mills and their supply bases in Malaysia are fully certified under the Malaysian Sustainable Palm Oil ("MSPO") certification, whilst all these oil mills and their supply bases remain certified by the International Sustainability and Carbon Certification ("ISCC") EU standards.

As at 31 December 2020, our Group's planted area in Malaysia and Indonesia stood at 159,521 hectares, along with twelve oil mills with a combined capacity of 665 mt per hour. Out of the Group's total land bank, some 29,765 hectares or 12% thereof are set aside for conservation purposes underscoring our steadfast commitment to Environmental, Social and Governance ("ESG") principles.

Artists' impression of Kensington 2 at Genting Indahpura – launched in December 2020

Property

2020 was an exceptionally challenging year for the Malaysian property market, with the COVID-19 pandemic emerging at the outset eventually leading to the imposition of the MCO from 18 March to 10 May to contain the widespread infection. Though merited, the MCO brought all non-essential business activities including that of property development to a hiatus.

Consequently, operations at both our sales offices in Genting Indahpura and Genting Pura Kencana along with our construction works on site were suspended for the duration of the MCO. Hence, over this period, our Group's Property Division recorded minimal sales while construction works for our developments were delayed.

According to data from the National Property Information Center ("NAPIC") for 1H 2020, Malaysia's residential property market transaction volume and value decreased 23.6% and 25.6% respectively compared with the same period last year, thus a higher overhang in residential properties nationwide. Johor remained the state with the highest number and value of residential properties overhang in the country in 1H 2020 with 6,166 units worth RM4.74 billion.

To mitigate the impact of the pandemic, the Government reintroduced the Home Ownership Campaign ("HOC") effective 1 June 2020 until 31 May 2021, under the National Economic Recovery Plan or PENJANA. The HOC aims to attract more first-time buyers to alleviate the nationwide overhang of residential properties as well as encourage new residential property offerings particularly those priced below RM1 million, which are stamp duty exempted.

The Group's Property Division duly participated in the HOC and in doing so leveraged on the benefits offered therein to market its inventories as well the new launch comprising of 160 units double-storey terrace in Genting Indahpura priced at RM525,000 for an intermediate unit.

That aside, another new launch comprising 278 units of townhouses under the *Rumah Mampu Biaya* Johor priced at RM150,000 per unit was made in 4Q 2020. The overall response to these new launches was encouraging with over 65% sold or booked as at end-December 2020. Sales in 4Q 2020 was the highest registered for the year, accounting for 71% thereof which reflects the improved market sentiment underscored by the Government's stimulant measures.

Raintree Residences (Phase 2) at Genting Indahpura
– construction completed ahead of schedule

Top - Genting Highlands Premium Outlets®
Bottom - Johor Premium Outlets®

Overall, the Property Division recorded sales of RM89.1 million in 2020, which represents a year-on-year decline of 42%. Our flagship development, Genting Indahpura was the main contributor with sales of RM69.3 million, which were derived mainly from residential properties. Sales at Genting Pura Kencana declined by 17% year-on-year to RM19.7 million in 2020.

The Group's Property Division also managed to overcome the unforeseen delays in its construction works and had successfully completed 442 units of residential properties in Genting Indahpura and Genting Pura Kencana ahead of its scheduled time frame.

The Group's Property Division expects the property market in Johor to remain challenging in 2021 with the unsettling impact of the prevalent COVID-19 weighing on concerns about job security, the affordability of housing and accessibility to housing loans. Therefore, the Property Division will continue to be discerning by timing its new launches and offering products that are aligned to the needs of the broader market.

The overall performance of the Group's Premium Outlets® was adversely affected by the various phases of MCO implemented by the Malaysian government to combat the pandemic in 2020. Despite the very challenging retail market, Premium Outlets® managed to maintain near-full occupancy of its lettable area and brought in more luxury brand names. Genting Highlands Premium Outlets® marked its third year of operations with new stores opening such as Ball Watch and Sephora, which is the first outlet store for the latter in South East Asia. Meanwhile, Johor Premium Outlets® also saw the opening of new luxury brand names such as Burberry, Fendi and Steve Madden.

In recognition of Premium Outlets® excellence in the Malaysian branding space, it was voted as the Silver winner for the "Transportation, Travel & Tourism" category of the Putra Brand Awards 2020.

Premium Outlets® continuously focused on opportunities for improvement and growth in order to increase revenue. These include diversifying its customer base domestically as well as enhancing the brand names in its portfolio.

Aerial view of Genting MusimMas Refinery

Downstream Manufacturing

2020 proved to be a challenging year for Downstream Manufacturing Division as it was impacted by measures taken by governments worldwide to contain the spread of the COVID-19 virus.

These stringent lockdown measures, which include travel restrictions and suspension of most business operations, resulted in a slowdown in the demand particularly from China. Furthermore, India had also restricted the import of refined palm oil from Malaysia from January to May 2020. These factors led to a plunge in demand for the Group's refined palm products in the first half of 2020, which gradually turnaround in the second half as China and India began replenishing their stockpiles.

In contrast, the biodiesel operations performed better in the first half of 2020 with the fulfilment of exports, which were contracted towards the end of 2019 when palm oil-gas oil ("POGO") spread was still viable. However, the POGO spread widened and turned unfavourable towards the second half of 2020 as crude oil price collapsed following the COVID-19 outbreak, and this had discouraged demand for both discretionary as well as mandatory blending.

Despite the challenging operating conditions present for most of 2020, the Division turned in a satisfactory performance. Revenue increased by 8% year-on-year mainly due to overall stronger selling prices which more than offset the lower biodiesel sales.

During the year, the Downstream Manufacturing Division continued to focus on the implementation of cost saving measures by expanding the usage of Liquified Natural Gas ("LNG") at its biodiesel plant, after having successfully replaced the use of diesel with LNG at Genting MusimMas Refinery ("GMMR").

We expect the operating environment to still be challenging for our Group's biodiesel operations with palm oil prices remaining strong in 2021. Moreover, the Malaysian government has announced a nationwide deferment in the deployment of the B20 Biodiesel Mandate to 2022. Conversely, GMMR's performance should continue to be satisfactory as it leverages on its expanded market reach and wide customer base in the USA, Turkey, South Africa, EU, China and India.

Genomic-based technology is deployed to GAT, the seed production unit of the Division, for the production of high yielding planting materials
Left - Selection of palms for crossing
Right - Pollinating outstanding palms for seed production

Biotechnology

Biotechnology Division continues to strive in delivering value through its genomics research and development ("R&D") of high yielding planting materials and microbial solutions, towards the Group's profitability.

Driven by genomics technology, the seed production unit of the Division, Genting AgTech Sdn Bhd ("GAT") has stepped up its seed production to meet increasing adoption of marker-driven high yielding planting materials. These planting materials, which have been commercially planted in about 600 hectares of our Group's replanting programme since 2015 observed an encouraging early yield of 20% improvement, or more than 20mt FFB yield in the second year, as compared to the gold standard materials in the industry. In parallel, additional mother palms with desired high yielding traits were certified by SIRIM Berhad to meet the annual 5 million DxP seeds production capacity required for increased adoption by the Group in 2022.

Complementing the superior planting materials, the Division's flagship biofertiliser product, Yield Booster™ addresses the prevalent issues present in plant health – optimal plant growth and disease control. Towards this end, the flagship biofertiliser product has exhibited an average 17% yield increment, with 25% reduction of inorganic fertiliser. The efficacy of the product application over the years translated to more than three-fold growth in adoption of Yield Booster™ in 2020.

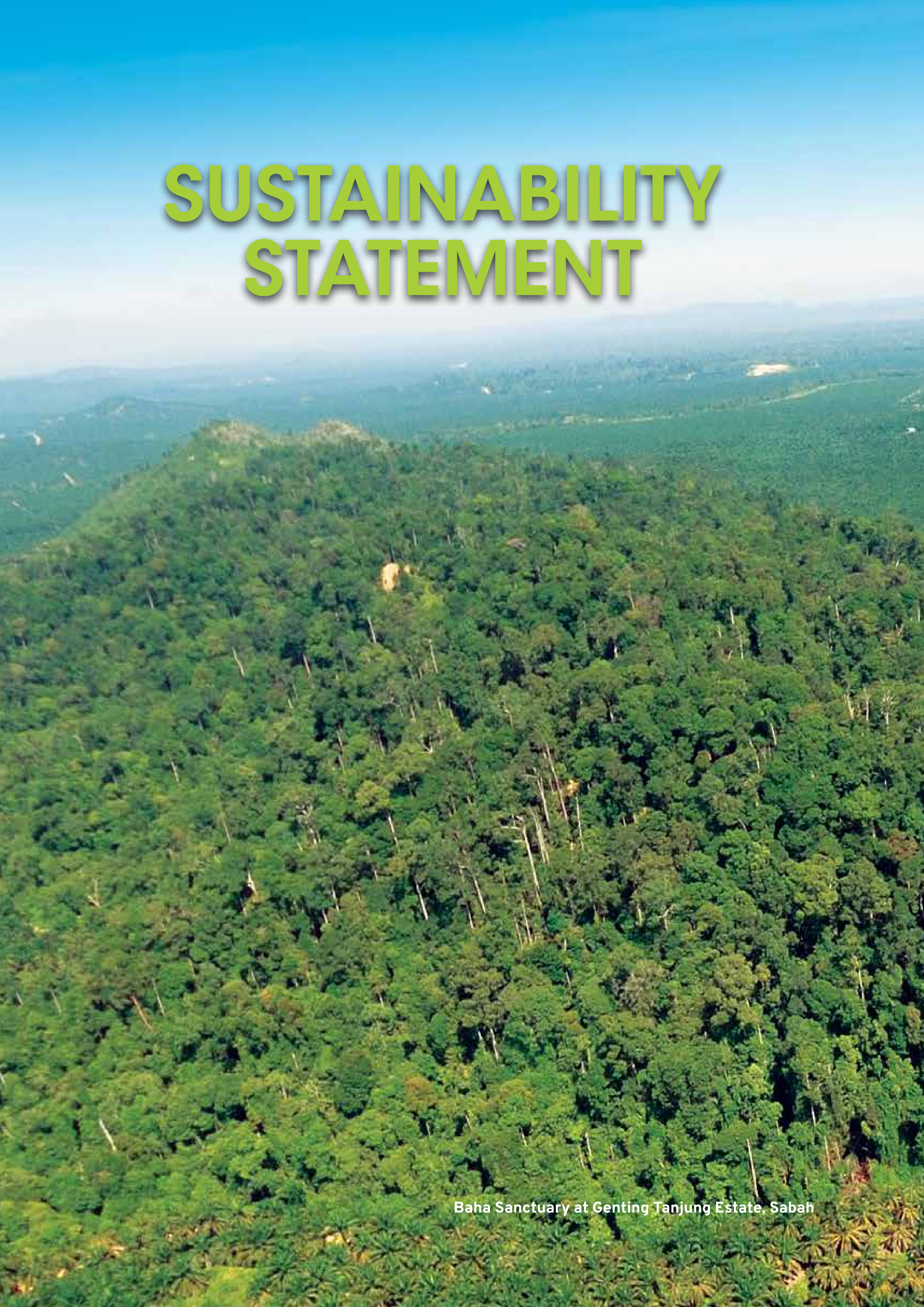
The encouraging demand affirms the continuous development of this environmental-friendly biological product. Concerted efforts are in progress to develop a repertoire of different biological properties for growth promotion, disease prevention and bioremediation.

The *Ganoderma* moderate-tolerant planting material, 'DxP 540 NG' jointly developed with Indonesian Oil Palm Research Institute ("IOPRI") has established a strong market presence in Indonesia. The well accepted disease-tolerant seed with annual increasing demand has promoted extensive collaboration between both organisations. GAT continues to undertake research collaborations with IJM Plantations Berhad for field validation on the application of DNA in marker-assisted screening for improved precision.

Over the years, the Group has accumulated essential volume of multi-dimensional data from plantation operation, agronomic practices, weather, environmental, remote sensing and genomics. Coupled with the advent of machine learning and artificial intelligence, we are in the position to leverage and capitalise on the investment geared towards optimised yield, managed input cost to drive efficient land use and resources for maximum profitability to steward the land sustainably, by endeavouring into AgTech journey.

With the recognition and encouraging research outcome, the Division will continue to intensify its genomics R&D efforts with the adoption of artificial intelligence ("AI") approaches towards developing a total solution.

SUSTAINABILITY STATEMENT



Baha Sanctuary at Genting Tanjung Estate, Sabah

SUSTAINABILITY STATEMENT

We aspire to achieve a balanced integration of ethical, social, environmental and economic considerations in the way we conduct our business to create sustainable long-term value for our stakeholders.

Our Group is fully cognizant that it is imperative for businesses to forge mutually-desirable outcomes founded on shared values for our stakeholders, and seeks to pay as much heed to continuously raising our sustainability performance as we do to meeting our commercial goals.

Hence, we are always guided by the core commitments of our four-pillared sustainability agenda, encompassing Environment, Community, Workplace and Marketplace.

Environment

- To practise responsible stewardship of the environment given that our business is closely related to nature
- To strive to adhere to the principles of sustainable development for the benefit of current and future generations

Community

- To build mutually beneficial relationship with the communities where we operate and with society at large through active engagement
- To enrich the communities where we operate

Marketplace

- To conduct our business with honesty, integrity and a commitment to excellence
- To personify exemplary corporate governance and transparent business conduct

Workplace

As our people is our most important asset, we strive

- To create a conducive and balanced working environment encircling good practices, safety and well-being of employees
- To attract and retain talent, and nurture our employees to enable them to realise their full potential
- To remunerate employees commensurating to their academic and work achievements
- To provide continuous development through training and further academic learning

Employees form an integral part of our Group and we remain committed to human resource development. Our global workforce was 23,907 as at 31 December 2020 with 7% Malaysians comprising Malay (5.05%), Chinese (1.02%), Indian (0.84%) and Others (0.04%) and the remaining 93% from other countries including but not limited to Korea, Mauritius, Indonesia, Australia, Singapore, Bangladesh, Philippines, India, Myanmar, Nepal, Sri Lanka and Pakistan.

The male to female employee ratios is 3:1; with ages below 30 (30%), between 30 to 55 (62%) and above 55 (8%).

This Sustainability Statement is made in accordance with a resolution of the Board of Directors dated 24 February 2021. Our Sustainability Report is available for download from **www.gentingplantations.com/sustainability**

HIGHLIGHTS OF GROUP'S KEY SUSTAINABILITY PERFORMANCE

MARKETPLACE

Market Indicators

RM8.84 billion
Market Capitalisation

RM251.2 million
Net Profit

Productivity (million mt)

2.08
Fresh Fruit Bunch

0.52
Crude Palm Oil

0.38
Refined Products

0.08
Biodiesel & Crude Glycerin

Traceability

100%
To Oil Mills

90%
To Plantations

Ratings

ESG Rating 2.9 out of 5.0
FTSE4Good Rating

73%, Ranked 21 out of 100 Companies
ZSL SPOTT Ranking

Ranked Tier I
Bursa Malaysia Sustainability Reporting Review

Sustainability Certifications

RSPO

79,604/ 243,240 ha

2,902 ha
Plasma schemes

19/32
Estates

7/12
Oil Mills

1/1
Refinery

2/2
Biodiesel Plants

ISCC

20/20
Estates

7/7
Oil Mills

1/1
Refinery

2/2
Biodiesel Plants

MSPO

20/20
Estates

7/7
Oil Mills

1/1
Refinery

2/2
Biodiesel Plants

ISPO

3/12
Estates

2/5
Oil Mills

HIGHLIGHTS OF GROUP'S KEY
SUSTAINABILITY PERFORMANCE

WORKPLACE

Diversity & Inclusion

23,907
Total Workforce

23%
Women Employed

11%
Women on Board of Directors

19%
Women in Management

Workforce Hiring & Retention

5.8%
Hiring Rate

7.1%
Turnover Rate

Workplace Safety & Health

11.01 injuries per one million man-hours worked

~40% reduction compared to 2015
Recordable Work Related Injury Rate

3 fatalities
Loss of Life

COMMUNITY

20,296 hectares allocated
Plasma schemes

RM2.7 million
COVID-19 Assistance

RM4.0 million
Community Investments

Available to all migrant workers in Malaysia
Identification Document Lockers

Social Endeavours

10
Humana Schools

4
Sekolah Jenis Kebangsaan (Tamil)

6
Continuous Learning Centres

12 Scholars of Tan Sri (Dr.) Lim Goh Tong Endowment Fund
Scholarships

30 internships offered
Internships

ENVIRONMENT

0.99 million mt (equivalent to ~48% FFB Produced)
Biomass Recycling

~4.4% reduction compared to 2016
GHG Emissions

29,765 hectares
Area for conservation

Environmental Approach

1.79 litres per 1,000 mt FFB
Water Intensity

5.48 litres per 1,000 mt CPO
Water Intensity

0.20 litres per 1,000 mt Downstream Products
Water Intensity

294 MJ per mt FFB
Energy Intensity

548 MJ per mt CPO
Energy Intensity

285 MJ per mt Downstream Products
Energy Intensity

No prophylactic use of pesticides
Integrated Pest Management

CORPORATE GOVERNANCE OVERVIEW STATEMENT

It is the policy of the Company to manage the affairs of the Group, in particular the Company and its subsidiaries in accordance with the appropriate standards for good corporate governance.

The new Malaysian Code on Corporate Governance ("MCCG") issued in April 2017 supersedes the Malaysian Code on Corporate Governance 2012.

The MCCG covers three broad principles namely Board Leadership and Effectiveness, Effective Audit & Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

Pursuant to the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company has completed the prescribed Corporate Governance Report for financial year 2020 which is made available at the Company's website at www.gentingplantations.com.

This statement gave a general overview of the application of the Corporate Governance and shareholders are advised to read the Corporate Governance Report for the full details.

Overall, the Company has applied 26 and adopted 2 out of the 36 Practices/Practice Step Up with 6 departures and 2 non-adoption under the MCCG. This reflects the Board's strong support of the overall corporate governance objectives as encapsulated in the MCCG for:

- improving the Company's corporate governance practices by creating a healthy and dynamic corporate culture that is driven by the Board together with management;
- increasing the effectiveness of the board oversight function through the establishment of objective audit functions and committees charged with the oversight of internal controls, risk and reporting; and
- enhancing the Company's communication with shareholders and other stakeholders through transparent and timely communication.

Notwithstanding the Company's departures from Practices such as seeking annual approval of the shareholders to retain an independent directors beyond 9 and 12 years (Practice 4.2) and policy for the Board to have at least 30% women directors (Practice 4.5), the Board will continue to evaluate and assess the Practices and at the appropriate time, take the appropriate steps to narrow the gap, especially for women directors where initial steps had been taken to appoint a first female Director to its Board. On Practice 4.6 where the Board is recommended to utilise independent sources to identify suitable qualified candidates, the Board is open to use such facilities where necessary. On Practice 7.2 on the disclosure on named basis the top five senior management's remuneration, alternative information was provided that should meet the intended objective. On Practice 12.1, the Company was unable to serve the Notice of Annual General Meeting to the shareholders of the Company at least 28 days prior to the meeting for the financial year 2020 due to lockdown imposed by the Malaysian government to prevent the spread of COVID-19. The uncertain situation coupled with the frequent changes made by the Securities Commission Malaysia on the guidance for holding of annual general meeting made it very difficult for the Company to organise its Annual General Meeting. With the availability of the technology to facilitate fully virtual annual general meeting by third party service provider, the Company would be able to plan ahead to meet the required 28 days notice for convening the annual general meeting in year 2021.

Apart from the above, the key area of focus and priorities in the future includes preparation of the Company for the adoption of integrated reporting based on globally recognised framework under Practice 11.2.

The stewardship of the Company under the leadership of the present Board ensures that the decisions are made objectively in the best interest of the Company, taking into account diverse perspectives and insights.

Set out below is a summary of the extent to which the Company has applied/adopted the practices encapsulated in the Principles of the MCCG save for certain departure/non-adoption of the Principles of the MCCG.

Principle A – Board Leadership and Effectiveness

I. Board Responsibilities

The Board has overall responsibility for the proper conduct of the Company's business in achieving the objectives and long term goals of the Company. The Company's values and standards and the Board's responsibilities are set out in the Board's Charter.

Corporate strategies as well as the annual plan are presented to the Board as part of the ongoing plans in achieving the objectives and long term goals of the Company, taking into consideration its core values and standards through the vision and mission of the Company, as set out in the Board Charter disclosed in Practice 2.1 of the Corporate Governance Report.

Principle A – Board Leadership and Effectiveness (cont'd)

I. Board Responsibilities (cont'd)

The details of Directors' attendances during the financial year 2020 are set out below:

Name of Directors	Number of Meetings Attended
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	4 out of 4
Tan Sri Lim Kok Thay	4 out of 4
Mr Tan Kong Han	4 out of 4
Mr Lim Keong Hui	4 out of 4
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	4 out of 4
Mr Quah Chek Tin	4 out of 4
Mr Ching Yew Chye	4 out of 4
Mr Yong Chee Kong	4 out of 4
Tan Sri Dato' Sri Zaleha binti Zahari	4 out of 4

The Chairman of the Board is Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R) who is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board.

The key responsibilities of the Chairman are provided in the Corporate Governance Report.

The position of the Chairman of the Board is held by Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R), an Independent Non-Executive Director of the Company.

The Company Secretary, who is an Associate member of The Malaysian Institute of Chartered Secretaries and Administrators, satisfies the qualification as prescribed under Section 235(2) of the Companies Act 2016 and has the requisite experience and competency in company secretarial services.

Notice of meetings setting out the agenda and accompanied by the relevant Board papers are given to the Directors with sufficient time for the Directors to review, seek additional information and/or clarification on the matters to be deliberated at Board meetings.

The minutes of meetings are prepared and circulated to all the Directors for their review and approval.

The Board Charter adopted by the Board clearly sets out the respective roles and responsibilities of the Board and the management to ensure accountability. The Board Charter is made available on the Company's website at www.gentingplantations.com

The Company has a Code of Conduct and Ethics which applies to all employees and Directors of the Group and its subsidiaries. The Code, together with other related policies, procedures and guidelines which are disseminated to employees and Directors, sets out the principles to guide standards of behaviour and business conduct when employees and Directors deal with third party and these are integrated into company-wide management practices.

The Directors observe the Company Directors' Code of Ethics established by the Companies Commission of Malaysia.

Both of the aforesaid Codes can be viewed from the Company's website at www.gentingplantations.com.

The Company recognises that any genuine commitment to detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees and other stakeholders can report their concerns freely without fear of reprisal or intimidation. To this end, the Company has adopted a Whistleblower Policy which is disseminated to employees and made available on the Company's website at www.gentingplantations.com.

II. Board Composition

The Board has nine members, comprising three Executive Directors and six Independent Non-Executive Directors which fulfils the requirement of the Board to comprise a majority of independent directors.

The Board noted that the tenure of an independent director should not exceed a cumulative term of nine years. The Board is of the view that the ability of long serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service.

Principle A – Board Leadership and Effectiveness (cont'd)

II. Board Composition (cont'd)

Their long service should not affect their independence as they are independent-minded and they continue to provide the necessary checks and balances in the best interest of the Company. The Independent Directors have each provided an undertaking to Bursa Securities since their appointment confirming and declaring that they are "independent directors" as defined under paragraph 1.01 of the MMLR of Bursa Securities. The Board agreed that ultimately the Independent Directors themselves are the best persons to determine whether they can continue to bring independent and objective judgement to Board deliberations.

In relation to the criteria to assess independence of directors, the Board had adopted the same criteria used in the definition of "independent directors" prescribed by the MMLR.

Accordingly, Gen. Dato' Seri DiRaja Tan Sri (Dr). Mohd Zahidi bin Hj. Zainuddin (R), Lt. Gen. Dato' Abdul Ghani bin Abdullah (R), Mr Quah Chek Tin and Mr Ching Yew Chye who have been Independent Non-Executive Directors of the Company since 1 July 2005, 21 May 2007, 8 October 2008 and 23 November 2011 respectively, will continue to be Independent Directors of the Company, notwithstanding having served as Independent Directors on the Board for more than nine years. Gen. Dato' Seri DiRaja Tan Sri (Dr). Mohd Zahidi bin Hj. Zainuddin (R), Lt. Gen. Dato' Abdul Ghani bin Abdullah (R), Mr Quah Chek Tin and Mr Ching Yew Chye are distinguished and well known figures in their field of expertise and being conversant with the Group's businesses, they bring valuable insights and contributions to the Board.

For the financial year ended 31 December 2020, each of the Independent Non-Executive Directors had provided their annual confirmations of independence to the Board based on the Company's criteria of assessing independence in line with the definition of "independent directors" prescribed by the MMLR. The Board had assessed and concluded that the six Independent Non-Executive Directors of the Company, namely Gen. Dato' Seri DiRaja Tan Sri (Dr). Mohd Zahidi bin Hj. Zainuddin (R), Lt. Gen. Dato' Abdul Ghani bin Abdullah (R), Mr Quah Chek Tin, Mr Ching Yew Chye, Mr Yong Chee Kong and Tan Sri Dato' Sri Zaleha binti Zahari, continue to demonstrate conduct and behaviour that are essential indicators of independence, and that each of them is independent of the Company's management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company.

Each Independent Director has undertaken to notify the Board of any changes in their circumstances or of any new interest or relationship that would affect their independence as an independent director of the Company. The Board will promptly consider that new information in reassessing the Director's independence in the interests of the Company and its shareholders as a whole.

In addition to the annual confirmation mentioned above from the Independent Non-Executive Directors, all the Directors are required to confirm on an annual basis if they have any family relationship with any other Director and/or major shareholders of the Company, if there are any conflict of interests with the Company and if they have been convicted of any offence within the past five years other than traffic offences, and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year. This information, together with the annual evaluation and assessment of each Director during the financial year, form the basis and justification for recommending whether the retiring Director should be nominated for re-election at the Annual General Meeting.

The Independent Non-Executive Directors serving more than nine years are persons with high caliber and their vast knowledge and experience contributes positively to the growth of the Group.

If the Board, including Independent Non-Executive Directors serving more than nine years, is able to continuously give their best efforts by using their expertise and skills to contribute positively towards the stewardship of the Company to attain greater heights, they should remain as Independent Non-Executive Directors of the Company because of the intended outcome is achieved as they are able to make objective decision, in the best interest of the Group taking into account diverse perspectives and insights.

The Group practises non-discrimination in any form, whether based on age, gender, ethnicity or religion, throughout the organisation. This includes the selection of Board members and senior management.

The Board is mindful of the target of at least 30% women directors and has taken the initial step of appointing Tan Sri Dato' Sri Zaleha binti Zahari as a female Director on the Board on 26 February 2018.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

Principle A – Board Leadership and Effectiveness (cont'd)

II. Board Composition (cont'd)

The Board currently comprises 8 male Directors and 1 female Director. The racial composition of the Board is 33.3% Malay and 66.7% Chinese. 22.2% of the Directors are between the ages of 30 and 55 and the remaining 77.8% are above 55 years old.

Amongst others, the measure taken by the Board when sourcing suitable candidates for any vacant Board position in the future, would take into consideration suitably qualified women candidates, in line with the recommendation of the MCCG.

The Board did not utilise independent sources to identify suitably qualified candidates as the management understands the specialised industry it operates in. Through its own network and bearing in mind the highly regulated industry in which the Company operates in, the management would be in the best position to look for potential candidates with background which fits the criteria requirements.

The Board is open to utilising independent sources to identify suitably qualified candidates, where necessary.

The Chairman of the Nomination Committee, Mr Quah Chek Tin (chektin.quah@genting.com) has been designated as the Senior Independent Non-Executive Director, as identified by the Board pursuant to Practice 4.7 of the Malaysian Code on Corporate Governance.

The Nomination Committee carried out its duties in accordance with its Terms of Reference which can be obtained from the Company's website at www.gentingplantations.com. The Nomination Committee met once during the financial year ended 31 December 2020 with all the members in attendance.

The main activities carried out by the Nomination Committee during the financial year ended 31 December 2020 are set out below:

(a) considered and reviewed the Board's succession plans, the present size, structure and composition of the Board and Board Committees as well as the required mix of skills, experience and competency required;
(b) considered and reviewed the Senior Management's succession plans;
(c) considered and reviewed the trainings attended by the Directors, discussed the training programmes required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends;
(d) reviewed and recommended to the Board, the term of office and performance of the Audit Committee and each of its members to determine whether the Audit Committee and members have carried out their duties in accordance with their terms of reference; and
(e) assessed and recommended to the Board, the effectiveness of the Board, Board Committees and individual Directors, including the Chief Executive.

The process of assessing the Directors is an on-going responsibility of the Nomination Committee and the entire Board. The Board has put in place a formal evaluation process to annually assess the effectiveness of the Board as a whole and the Board Committees, as well as the contribution and performance of each individual Director (including the Independent Non-Executive Directors) and the Chief Executive.

In respect of the assessment for the financial year ended 31 December 2020 which was internally facilitated, the Nomination Committee and the Board were satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively and the contribution and performance of each individual Director, including the Chief Executive are satisfactory. The Board was also satisfied that the Board composition in terms of size, the balance between Executive, Non-Executive and Independent Directors and mix of skills was adequate. The Board is mindful of the gender diversity relating to women directors and has taken the initial step as disclosed in Practice 4.5 of the Corporate Governance Report.

The Board is cognisant of Practice 5.1 of MCCG and at the appropriate time, engages independent experts to facilitate the annual assessment.

III. Remuneration

The Company has established a formal remuneration policy for the Executive Directors and senior management to align with business strategy and long term objectives of the Company and its subsidiaries.

The Board, as a whole, determines the level of fees of Non-Executive Directors and Executive Directors.

Principle A – Board Leadership and Effectiveness (cont'd)

III. Remuneration (cont'd)

The policies and procedures are made available on the Company's website at www.gentingplantations.com.

The Remuneration Committee is responsible for implementing the policies and procedures on the remuneration of Executive Directors and making recommendations to the Board on the remuneration packages of Executive Directors and members of the Board Committees whilst the Board is responsible for approving the policies and procedures which govern the remuneration of the employees including Executive Directors and senior management of the Company.

The Remuneration Committee carried out its duties in accordance with its Terms of Reference which can be obtained from the Company's website at www.gentingplantations.com.

The details of the Directors' remuneration received in 2020 on a named basis are set out in Appendix A of this Corporate Governance Overview Statement.

The top 5 senior management (excluding Executive Directors) of the Group are Mr Tan Wee Kok, Mr Ng Say Beng, Mr Tan Cheng Huat, Mr Lee Ser Wor and Mr Choo Huan Boon, their designations are disclosed in the Annual Report 2020. The aggregate remuneration of these executives received in 2020 was RM5.49 million representing 1.38% of the total employees remuneration of the Group.

The total remuneration of the aforesaid top five senior management was a combination of an annual salary, bonus, benefits in-kind and other emoluments which are determined in a similar manner as other management employees of the Group. This is based on their individual performance, the overall performance of the Group, inflation and benchmarked against other companies operating in similar industries in the region. The basis of determination has been applied consistently from previous years.

Principle B – Effective Audit and Risk Management

I. Audit Committee

The Chairman of the Audit Committee is Mr Quah Chek Tin, an Independent Non-Executive Director of the Company.

The Terms of Reference of the Audit Committee has included a cooling-off period of at least two years before a former key audit partner could be appointed as a member of the Audit Committee to safeguard the independence of the audit of the financial statements.

The Audit Committee ensures that the independence and objectivity of the external auditors are not compromised in accordance with the assessment criteria set out in the "Group Policy on External Auditors' Independence".

The external auditors are also required to provide confirmation to the Audit Committee that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Audit Committee was satisfied with the suitability and independence of the external auditors based on the quality and competency of services delivered, sufficiency of the firm and professional staff assigned to the annual audit as well as the non-audit services performed for the financial year ended 31 December 2020 and has recommended their re-appointment for the financial year ending 31 December 2021.

The Audit Committee of the Company consists of four members, who are all Independent Non-Executive Directors.

The members of the Audit Committee of the Company comprised at least one member with the requisite accounting qualification based on the requirement of the MMLR of Bursa Securities. Members of the Audit Committee are financial literate as they continuously keep themselves abreast with the latest development in the new accounting and auditing standards and the impact it may have on the Group through briefings by the management and the external auditors. During the financial year ended 31 December 2020, the Directors received regular briefings and updates on the Group's businesses, operations, risk management, internal controls, corporate governance, finance, sustainability reporting, anti-bribery and corruption and any new or changes to the relevant legislation, rules and regulations.

Principle B – Effective Audit and Risk Management (cont'd)

I. Audit Committee (cont'd)

The Company maintains a policy for Directors to receive training at the Company's expense, in areas relevant to them in the discharge of their duties as Directors or Board Committee members, including Mandatory Accreditation Programme for new Directors.

The courses and training programmes attended by the Directors in 2020 are attached as Appendix B of this Corporate Governance Overview Statement.

The Directors are also required by the Companies Act 2016 ("Act") in Malaysia to prepare financial statements for each financial year which have been made out in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and comply with the requirements of the Act so as to give a true and fair view of the financial position of the Group and of the Company at the end of the financial year and of the financial performance of the Group and of the Company for the financial year.

A statement by the Board of its responsibilities for preparing the financial statements is set out in the Audited Financial Statements for the financial year ended 31 December 2020 of the Company.

II. Risk Management and Internal Control Framework

The Board is responsible for the Group's risk management framework and system of internal control and for reviewing their adequacy and integrity.

The Board affirms its overall responsibility for establishing an effective risk management and internal control framework which is in place and has been enhanced over the years.

The risk management and internal control framework of the Company are designed to manage rather than eliminate risks, and to provide reasonable but not absolute assurance against any material misstatement or loss.

Features of the risk management and internal control framework of the Company are set out in the Statement on Risk Management and Internal Control.

The Risk Management Committee of the Company assists the Board in carrying out, among others, the responsibility of overseeing the Company and its subsidiaries' risk management framework and policies.

The Risk Management Committee was previously combined with Audit Committee and renamed as Audit and Risk Management Committee ("ARMC") on 29 December 2017. On 31 December 2019, the Board approved the separation of the ARMC into two committees, namely, Audit Committee and Risk Management Committee with the same composition of members.

The Risk Management Committee now serves as a committee of the Board to assist the Board in carrying out the responsibility of overseeing the Company and its subsidiaries' risk management framework and policies. The Terms of Reference of the Risk Management Committee can be obtained from the Company's website at www.gentingplantations.com.

To assist the Board in maintaining a sound system of internal control for the purposes of safeguarding shareholders' investment and the Group's assets, the Group has in place, an adequately resourced internal audit department.

The Internal Audit has an Audit Charter approved by the Audit Committee which defines the mission & objectives, roles & responsibilities, independence, authority, audit standards & code of ethics, audit scope & methodology and audit reporting.

The Internal Audit function is headed by Mr Koh Chung Shen ("Head of Internal Audit" or "Mr Koh"). He reports functionally to the Audit Committee and administratively to the senior management of the Company. The competency and working experience of Mr Koh and the internal audit team as disclosed in Practice 10.2 of the Corporate Governance Report.

The details of the scope of work, performance evaluation and budget of the internal audit function are set out in the Corporate Governance Report.

The Head of Internal Audit and other internal audit personnel are independent from the operational activities of the Company and they do not hold management authority and responsibility over the operations that internal audit covers in its scope of works.

Principle B – Effective Audit and Risk Management (cont'd)

II. Risk Management and Internal Control Framework (cont'd)

For year 2020, the average number of internal audit personnel was 26 comprising degree holders and professionals from related disciplines with an average of 10 years of working experience per personnel.

Mr Koh joined the Company in November 2000 as Manager of Internal Audit and subsequently took over as Head of Internal Audit in November 2008. Mr Koh started his career as an internal auditor in one of the financial institutions since then. Mr Koh has in total 27 years of internal audit experience.

The internal audit carries out its work according to the code of ethics and standards set by professional bodies, primarily consistent with the International Professional Practices Framework issued by the Institute of Internal Auditors and where applicable, reference is made to the standards and statements issued by the international accounting and auditing organisations.

Principle C – Integrity in Corporate Reporting and meaningful relationship with stakeholders.

I. Communication with Stakeholders

The Group acknowledges the importance of timely and equal dissemination of material information to the shareholders, investors and public at large. The Company holds briefings for fund managers, institutional investors and investment analysts after each quarter's financial results announcement.

The Group maintains a corporate website at www.gentingplantations.com which provides the relevant information to its stakeholders.

The Group also participates in investor forums held locally and abroad and periodically organizes briefings and meetings with analysts and fund managers to give them a better understanding of the businesses of the Group.

The Company would review the need to adopt the integrated reporting based on a globally recognised framework at the appropriate time.

II. Conduct of General Meetings

The Company was unable to serve the Notice of Annual General Meeting to the shareholders of the Company at least 28 days prior to the meeting for the financial year 2020 due to lockdown imposed by the Malaysian government to prevent the spread of COVID-19. The uncertain situation coupled with the frequent changes made by the Securities Commission Malaysia on the guidance for holding of annual general meeting made it very difficult for the Company to organise its Annual General Meeting. With the availability of the technology to facilitate fully virtual annual general meeting by third party service provider, the Company would be able to plan ahead to meet the required 28 days notice for convening the annual general meeting in year 2021.

The date of the Annual General Meeting of the Company is scheduled at the beginning of the calendar year to ensure that all the Directors are present to provide meaningful responses to questions addressed to them. All the Directors attended the Forty-Second Annual General Meeting of the Company held fully virtual via electronic means at the Broadcast Venue, 14th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur on 19 June 2020 ("42nd AGM") with the presence of the Chairman, certain Directors, External Auditors, Company Secretary, Independent Scrutineer and Senior Management at the Broadcast Venue.

This Corporate Governance Overview Statement is made in accordance with a resolution of the Board of Directors dated 24 February 2021.

Appendix A

GROUP

DETAILS OF DIRECTORS' REMUNERATION RECEIVED IN 2020

Amount in RM million	SALARIES & BONUS	DEFINED CONTRIBUTION PLAN	FEES	MEETING ALLOWANCE FOR BOARD COMMITTEE'S ATTENDANCE	OTHER SHORT TERM EMPLOYEE BENEFITS	ESTIMATED MONETARY VALUE OF BENEFITS IN-KIND	TOTAL
EXECUTIVE							
TAN SRI LIM KOK THAY	0.336	0.064	0.095	-	-	-	0.495
MR TAN KONG HAN	1.255	0.139	0.095	-	-	0.017	1.506
MR LIM KEONG HUI	0.958	0.143	0.095	-	-	-	1.196
NON-EXECUTIVE							
GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)	-	-	0.147	0.034	-	0.004	0.185
LT. GEN DATO' ABDUL GHANI BIN ABDULLAH (R)	-	-	0.099	0.034	-	0.004	0.137
MR QUAH CHEK TIN	-	-	0.099	0.051	-	-	0.150
MR CHING YEW CHYE	-	-	0.099	0.031	-	0.004	0.134
MR YONG CHEE KONG	-	-	0.099	-	-	0.004	0.103
TAN SRI DATO' SRI ZALEHA BINTI ZAHARI	-	-	0.099	-	-	0.003	0.102

Appendix A

COMPANY

DETAILS OF DIRECTORS' REMUNERATION RECEIVED IN 2020

Amount in RM million	SALARIES & BONUS	DEFINED CONTRIBUTION PLAN	FEES	MEETING ALLOWANCE FOR BOARD COMMITTEE'S ATTENDANCE	OTHER SHORT TERM EMPLOYEE BENEFITS	ESTIMATED MONETARY VALUE OF BENEFITS IN-KIND	TOTAL
EXECUTIVE							
TAN SRI LIM KOK THAY	0.336	0.064	0.095	-	-	-	0.495
MR TAN KONG HAN	0.928	0.139	0.095	-	-	0.017	1.179
MR LIM KEONG HUI	0.958	0.143	0.095	-	-	-	1.196
NON-EXECUTIVE							
GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)	-	-	0.147	0.034	-	0.004	0.185
LT. GEN DATO' ABDUL GHANI BIN ABDULLAH (R)	-	-	0.099	0.034	-	0.004	0.137
MR QUAH CHEK TIN	-	-	0.099	0.051	-	-	0.150
MR CHING YEW CHYE	-	-	0.099	0.031	-	0.004	0.134
MR YONG CHEE KONG	-	-	0.099	-	-	0.004	0.103
TAN SRI DATO' SRI ZALEHA BINTI ZAHARI	-	-	0.099	-	-	0.003	0.102

Appendix B

THE FOLLOWING ARE THE COURSES AND TRAINING PROGRAMMES ATTENDED BY THE DIRECTORS IN 2020

COURSES	NAME OF DIRECTORS	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Tan Sri Lim Kok Thay	Mr Tan Kong Han	Mr Lim Keong Hui	Mr Quah Chek Tin	Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Mr Ching Yew Chye	Mr Yong Chee Kong	Tan Sri Dato' Sri Zaleha binti Zahari
UOBM Strategies and Budget Session with Management by United Overseas Bank (Malaysia) Berhad ("UOBM").								•		
UOBM: Business Banking & Personal Financial Services Business Presentation.								•		
UOBM: Technology Risk Management Briefing.								•		
Reach & Remind Friends of the Industry Seminar 2020 and Dialogue by Malaysian Palm Oil Council.									•	
Briefing on New Era of Corporate Liability under Malaysian Anti Bribery laws by Chew Kherk Ying of Wong & Partners organised by Genting Group.		•	•	•		•	•	•	•	•
UOBM: Transaction Banking Business Presentation.								•		
Board Re-Treat and Training: "The Aspiration to Become a World Class Pension Fund." by Lembaga Tabung Angkatan Tentera.		•								
UBS Fixed Income Focus - Investing amid Covid-19.					•					
New Trends in the Development of Digital Economy by Peng Wensheng, Chief Economist of Everbright Securities.					•					
UBS CIO Live: US & Europe Focus: Investing amid Covid-19.					•					
UBS CIO Livestream - Asset class deeper dive.					•					
Gartner Panel Discussion: Remote Work During Covid-19 & Beyond.					•					
Turning the Spotlight on Chinese Markets post Covid-19 shock by Affin Hwang Capital Asset Management Sdn. Bhd.									•	
UBS regarding Beyond the pandemic peak: Investing amid Covid-19.					•					
Tsinghua: Roadmap for Covid-19 Vaccine Development - Discovery, Regulatory & Clinic Trials.					•					
UBS, CIO: Beyond the Covid-19 Peak.					•					
UBS, CIO Live: Healthcare focus: Investing amid Covid-19.					•					

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

Appendix B

THE FOLLOWING ARE THE COURSES AND TRAINING PROGRAMMES ATTENDED BY THE DIRECTORS IN 2020 (cont'd)

COURSES	NAME OF DIRECTORS	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Tan Sri Lim Kok Thay	Mr Tan Kong Han	Mr Lim Keong Hui	Mr Quah Chek Tin	Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Mr Ching Yew Chye	Mr Yong Chee Kong	Tan Sri Dato' Sri Zaleha binti Zahari
AML/CFT & Anti-Corruption Update by Prof. Datin Dr. Mei Pheng Lee by United Overseas Bank (Malaysia) Bhd.								•		
Cyber Security Awareness Update by Ho Siew Kei of Deloitte by United Overseas Bank (Malaysia) Bhd.								•		
AML & CFT Training, Climate Related Risks & AIA Group approach on ESG by AIA Group.								•		
Digital Financial Institutions Series: Fidor's Experience by Mr Matthew Nicholls, Digital Banking Consultant at Fidor organised by Financial Institutions Directors' Education (FIDE) Forum.								•		
Section 17A - Protecting you and your business with T.R.U.S.T by Boardroom.						•				
Anti-Money Laundering Program – by Affin Hwang Asset Management.		•								
Intercultural Communication in Global Business Settings under the Framework of BRI.					•					
Climate Governance Malaysia Showcase at Climate Week New York by Climate Governance Malaysia in collaboration with Institute of Corporate Directors Malaysia, Joint Committee on Climate Change and Islamic Markets.						•				
Interest rates, Exchange rates and RMB Internationalization after Covid-19.					•					
World & China post-pandemic: The Trend of Economy, Finance and Technology.					•					
Briefing on Section 17A of the Malaysian Anti-Corruption Commission Amendment Act 2018 by Deloitte.						•				
Captains' Forum: Transformation towards recovery by KPMG.						•				
China's Economic Growth and Great Bay Area Opportunities.					•					
US-China Trade Disputes and the New World Order.					•					

Appendix B

THE FOLLOWING ARE THE COURSES AND TRAINING PROGRAMMES ATTENDED BY THE DIRECTORS IN 2020 (cont'd)

COURSES	NAME OF DIRECTORS	Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Tan Sri Lim Kok Thay	Mr Tan Kong Han	Mr Lim Keong Hui	Mr Quah Chek Tin	Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Mr Ching Yew Chye	Mr Yong Chee Kong	Tan Sri Dato' Sri Zaleha binti Zahari
The History of China's Capital Market. Legal Issues in Cross-border M&A.					•					
World Economy in the Era of Pandemics.					•					
Webinar on Tax Impact of 2021 Budget by TraTax Sdn. Bhd.									•	
Audit Committee Institute Virtual Roundtable 2020 - ESG perspective: Managing Recovery and Resilience by The Audit Committee Institute Malaysia, sponsored by KPMG Malaysia.						•				
The 2021 Budget Seminar and Anti-Bribery and Anti-Money Laundering Briefing by Deloitte Tax Services Sdn Bhd organised by Genting Group.		•		•	•	•	•	•	•	•
MPOB Industry Engagement Webinar - Establishment of Mechanisation Research Consortium for Oil Palm.									•	

AUDIT COMMITTEE

The Audit Committee was established on 26 July 1994 to serve as a Committee of the Board. In line with the recommendation of the Malaysian Code on Corporate Governance, the Audit Committee of the Company which has been assisting the Board in carrying out, among others, the responsibility of overseeing the Company and its subsidiaries' risk management framework and policies, was renamed as the Audit and Risk Management Committee ("ARMC") on 29 December 2017.

On 31 December 2019, the Board approved the separation of ARMC into two separate committees, namely Audit Committee ("AC") and Risk Management Committee ("RMC").

MEMBERSHIP

The present members of the AC comprise:

Mr Quah Chek Tin	Chairman/Independent Non-Executive Director
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	Member/Independent Non-Executive Director
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	Member/Independent Non-Executive Director
Mr Ching Yew Chye	Member/Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference of the AC are made available on the Company's website at www.gentingplantations.com.

ATTENDANCE AT MEETINGS DURING THE FINANCIAL YEAR 2020

The AC held a total of six (6) meetings. Details of attendance of the AC members are as follows:

Name of Member	Number of Meetings Attended*
Mr Quah Chek Tin	6 out of 6
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	6 out of 6
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	6 out of 6
Mr Ching Yew Chye	6 out of 6

* *The total number of meetings include the special meetings held between members of the AC who are non-executive Directors of the Company and representatives of the external auditors, PricewaterhouseCoopers PLT without the presence of any Executive Director or management.*

SUMMARY OF WORK DURING THE FINANCIAL YEAR 2020

The AC carried out its duties in accordance with its Terms of Reference.

During the financial year ended 31 December 2020, this entailed, inter-alia, the following:

i) reviewed and deliberated the internal audit plan for the Company and the Group with the Head of Internal Audit and authorised deployment of the necessary resources to address risk areas identified;

ii) reviewed and deliberated the internal audit reports of the Company and of the Group which were prepared on completion of each internal audit assignment;

iii) engaged with the external auditors on the external audit plan for the Company and the Group;

iv) reviewed and deliberated the external audit reports of the Company and of the Group prepared by the external auditors, including any key audit matters raised;

v) reviewed with management and the external auditors and deliberated the financial results and reports of the Company and of the Group for the quarters ended 31 December 2019, 31 March 2020 and 30 June 2020 and recommended for approval by the Board;

vi) reviewed with the management and deliberated the financial results and reports of the Company and of the Group for the third quarter ended 30 September 2020 and recommended for approval by the Board;

vii) reviewed and deliberated related party and recurrent related party transactions of the Company and of the Group;

viii) analysed and reviewed the proposed audit fees for the external auditors in respect of their audit of the financial statements of the Company and of the Group;

ix) assessed the suitability, objectivity and independence of the external auditors and recommended their re-appointment;

x) reviewed with management and the external auditors the annual financial statements of the Company and of the Group for the financial year ended 31 December 2019 and recommended for approval by the Board; and

xi) reviewed the 2019 Annual Report of the Company, including the AC's Report, Sustainability Report and Statement of Risk Management and Internal Control.

HOW THE AC DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR 2020

1. Financial Reporting

The AC reviewed with management and the external auditors, where required, and deliberated on the quarterly consolidated financial statements and the annual financial statements of the Company and of the Group prior to the approval by the Board, focusing particularly on:

a. changes in or implementation of major accounting policies;

b. significant matters highlighted by management or the external auditors, including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters were addressed; and

c. compliance with accounting standards and other legal or regulatory requirements

to ensure that the financial statements give a true and fair view of the financial position and financial performance of the Group and of the Company and are in compliance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia as well as the Listing Requirements of Bursa Malaysia Securities Berhad. New financial reporting standards and amendments that are effective for the current financial year were discussed and it was noted that the adoption of these new standards and amendments did not have any impacts on the current or prior years and is not likely to affect future periods.

The AC also reviewed and where applicable, commented on the representation letters issued by the management to the external auditors in relation to the financial statements for the quarters ended 31 December 2019, 31 March 2020 and 30 June 2020.

2. External Audit

In the course of review of the quarterly financial statements ended 31 December 2019, 31 March 2020 and 30 June 2020 and audit of the annual financial statements, the external auditors identified discrepancies or matters involving estimates or the exercise of judgement which could have material impact on the financial statements. These matters were discussed with management and resolved.

Significant matters requiring follow-up were highlighted in the reports by the external auditors to the AC. In accordance with International Standards on Auditing, key audit matters (if any) which in the opinion of the external auditors were of most significance in their audit of the annual financial statements were brought to the attention of the AC and highlighted and addressed by the external auditors in their audit report.

The AC also reviewed and discussed the external auditors' annual audit plan setting out the proposed scope of work before their commencement of the audit of the financial statements of the Company and of the Group.

The proposed audit fees for the external auditors in respect of their audit of the financial statements of the Company and its subsidiaries were analysed and reviewed by the AC for recommendation to the Board for approval. Non-audit fees and non-audit related costs payable to the external auditors in respect of non-audit services rendered by the external auditors during the financial year were also reviewed and considered in ascertaining the suitability and independence of the external auditors.

The AC conducted its annual assessment based on the Group's policy on external auditors' independence for recommending the reappointment of the external auditors to the shareholders for approval.

Two AC meetings were held on 25 February 2020 and 25 August 2020 without the presence of any Executive Director or management of the Company to ensure that the external auditors can freely discuss and express their opinions on any matter to the AC, and the AC can be sufficiently assured that management has fully provided all relevant information and responded to all queries from the external auditors.

The external auditors shared their observations on significant operational matters and key audit findings, including internal controls.

3. Internal Audit

The Group has an adequately resourced internal audit function to assist the Board in maintaining a sound system of internal control. The internal audit department of the Company reports to the AC and the primary role of the department is to undertake regular and systematic review of the governance, risk management and internal control processes, including related party transactions, to provide sufficient assurance that the Company and the Group have sound systems of internal control and that established policies and procedures are adhered to and continue to be effective in addressing the risks identified.

Internal audit functions independently of the activities it audits and carries out its work objectively according to the code of ethics and standards set by professional bodies, primarily consistent with the International Professional Practices Framework issued by the Institute of Internal Auditors and where applicable, reference is made to the standards and statements issued by the international accounting and auditing organisations. For each audit, a systematic methodology is adopted, which primarily includes performing risk assessment, developing audit planning memorandum, conducting audit, convening exit meeting and finalising audit report. The audit reports detail out the objectives, scope of audit work, findings, management responses and conclusion in an objective manner and are distributed to the responsible parties.

During the year, the AC reviewed and approved the 2021 Internal Audit Plan for the Company and the Group and authorised the deployment of necessary resources to address risk areas identified.

The following were considered in the AC's review:

- The Internal Audit plan was prepared based on a risk based approach with the consideration of four (4) factors, namely materiality of transactions and balances, management concerns (including company risk profiles), regulatory requirements and audit evaluation.

- The internal audit scope extends to cover major operating areas of the Company and its subsidiaries which include financial, accounting, information systems, operational and support services and administrative activities.

- The internal audit resources comprise degree holders and professionals from related disciplines. Senior personnel possess vast experience in the audit profession as well as in the industries that the Company and its subsidiaries are involved in.

The AC reviewed and deliberated the internal audit reports issued in respect of the Group's entities or operations each quarter. The audits covered various operations, systems, processes and functions across the Company and the Group. Some weaknesses in internal control were identified for the year under review but these are not deemed significant and have not materially impacted the business or operations of the Group. Nevertheless, measures have been or are being taken to address these weaknesses. The internal audit reports also included follow-up on corrective measures to ensure and to report to the AC that management has dealt with the weaknesses identified satisfactorily.

The total cost incurred for the internal audit function of the Group for the financial year ended 31 December 2020 amounted to RM4.18 million.

4. Related Party Transactions

Related party transactions of the Company and its subsidiaries which exceeded pre-determined thresholds were reviewed by the AC to ensure the transactions were fair, reasonable, on normal commercial terms, not detrimental to the interests of the minority shareholders and in the best interest of the Company before recommending to the Board or shareholders for approval.

The AC reviewed the recurrent related party transactions of a revenue or trading nature which were necessary for the day to day operations of the Company or its subsidiaries that arose within the Group to ensure that the transactions were in the ordinary course of business and on terms not more favourable to the related parties than those generally available to the public.

5. Risk Management

The RMC (with the same composition of members of the AC) now serves as a committee of the Board to assist the Board in carrying out the responsibility of overseeing the Company and its subsidiaries' risk management framework and policies. The Terms of Reference of the RMC can be obtained from the Company's website at www.gentingplantations.com. The RMC met three times during the financial year ended 31 December 2020 with all the members in attendance.

During the year, the RMC reviewed the risk management processes and deliberated on the reports submitted by the Risk and Business Continuity Management Committee of the Company and the annual Statement on Risk Management and Internal Control to ensure that all necessary risk mitigation measures to address the critical risk areas have been or were being put in place.

The RMC also reviewed the adequacy and effectiveness of the internal control system to ensure compliance with internal controls and procedures set up within the Group.

RISK MANAGEMENT PROCESS

As proper risk management is a significant component of a sound system of internal control, the Group has also put in place a risk management process to help the Board in identifying, evaluating and managing risks. The implementation and maintenance of risk management process is carried out by the Risk and Business Continuity Management Committee of the Company.

The review of the risk management processes and reports is delegated by the Board to the RMC. In this regard, half-yearly risk management reports and the annual Statement on Risk Management and Internal Control are reviewed and deliberated by the RMC prior to recommending for endorsement by the Board.

The RMC of the Company reviewed the Statement on Risk Management and Internal Control which provides an overview of the state of internal controls within the Group as set out on pages 58 to 61 of the Annual Report.

This Audit Committee Report is made in accordance with a resolution of the Board of Directors dated 24 February 2021.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

BOARD RESPONSIBILITY

The Board of Directors ("the Board") affirms its overall responsibility for establishing an effective risk management and internal control framework for Genting Plantations Berhad ("the Company") and its subsidiaries (collectively referred to as "the Group") and for reviewing its adequacy and effectiveness. The Board recognises that business decisions involve the taking of appropriate risks and hence, necessary actions need to be taken to understand the principal risks and monitor that risks are being managed within risk tolerance levels.

Through the years, the Group's risk management framework has been reviewed and enhanced to ensure that the ongoing risk management processes effectively identify, analyse, evaluate, and manage significant risks that may impede the achievement of business and corporate objectives. The Group's risk management framework is reviewed by the Board annually. Amongst others, the risk management framework sets out the risk tolerance and risk appetite levels, and provides guidance for the identification and management of key risks.

A key component of the Group's risk management framework is the internal control system, which is designed to manage rather than eliminate risks, and provides reasonable but not absolute assurance against any material misstatement or loss.

During the year, the review of the risk management and internal control reports and processes was delegated by the Board to the Risk Management Committee ("RMC").

MANAGEMENT RESPONSIBILITIES

Management is accountable to the Board for the risk management and internal control system and for the implementation of processes to identify, evaluate, monitor and report risks and controls. In this regard, Risk and Business Continuity Management Committee ("RBCMC") has been established by the Company to:-

- Institutionalise the risk management practices in the respective business units.
- Ensure the effectiveness of the risk management policies and processes.
- Ensure that relevant risks that may impede the achievement of objectives are identified and appropriate mitigating actions have been implemented.
- Review significant changes in the risk profiles and emerging risks, taking into consideration the changing business and regulatory environment; ensuring that appropriate actions are taken; and communicating them to the RMC and the Board.

The RBCMC comprises senior management of the Group and is chaired by the Chief Financial Officer. The RBCMC met on a quarterly basis in 2020 to ensure the continual effectiveness, adequacy and integrity of the risk management system and key matters were escalated to the RMC and the Board for deliberation and approval.

KEY INTERNAL CONTROL PROCESSES

Key elements of the Group's internal control environment are as follows:

- The Board and the Audit Committee ("AC") meet every quarter to discuss business and operational matters raised by Management, Internal Audit and the external auditors including potential risks and control issues.
- The external auditors independently test certain internal controls as part of their audit of the financial statements, and provide recommendations on significant findings detected. Management takes appropriate action on these internal control recommendations.
- The Board has delegated the responsibilities to various committees established by the Board and Management of the Company to implement and monitor the Board's policies on controls.
- Delegation of authority including authorisation limits at various levels of Management and those requiring the Board's approval are documented and are designed to ensure accountability and responsibility.
- Internal procedures and policies are documented in manuals, which are reviewed and revised periodically to meet changing business and operational requirements as well as statutory reporting needs.
- Performance and cash flow reports are provided to the Management and Executive Committee ("EXCO") to facilitate review and monitoring of financial performance and cash flow position of the Group.
- Business or operating units present their profit plans, which include financial and operating targets, capital expenditure proposals and performance indicators for approval by the EXCO and the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

- Quarterly results are compared with the profit plans to identify and where appropriate, to address significant variances from the profit plans.

- A whistleblower policy is in place and anyone who has a genuine concern on detrimental actions or improper conduct may raise it using the confidential channels laid out in the policy.

INTERNAL AUDIT FUNCTION

The Internal Audit Department ("Internal Audit") is responsible for undertaking regular and systematic reviews of the governance, risk management and internal control processes, including related party transactions to provide the AC and the Board with sufficient assurance that the system of internal control is effective in addressing the risks identified.

Internal Audit functions independently of the operational activities it audits and carries out its duties according to the code of ethics, standards and best practices set out by professional bodies, primarily consistent with the International Professional Practices Framework issued by the Institute of Internal Auditors and where applicable, reference is made to the standards and statements issued by international accounting bodies.

On a quarterly basis during the year under review, Internal Audit submitted audit reports and audit plan status for review by the AC. Included in the reports were risks identified, causes and recommended corrective measures, for implementation by Management. Internal Audit also conducted subsequent follow-up work to check that Management had dealt with the recommendations satisfactorily.

The internal audit reviews during the financial year had identified some weaknesses in internal control. These weaknesses did not materially impact the business or operations and were not deemed significant. Management had either taken the necessary measures to address these weaknesses or is in the process of addressing them.

RISK MANAGEMENT FUNCTION

The Risk Management Department facilitates the implementation of the risk management framework and processes with the respective businesses or operating units and ensures adequate process are in place to identify, evaluate, manage and control risks that may impede the achievement of objectives. The Risk Management Framework approved by the Board, which is based on ISO31000:2018, Risk Management – Guidelines, articulates the risk policy, risk tolerance levels, standardised classifications and categories of risks and the risk review process.

On a quarterly basis during the year under review, the Risk Management Department presented reports detailing the significant risks, the status of risk reviews and the status of implementation of action plans for review by the RBCMC and EXCO.

Additionally, the Business Continuity Management Framework, which is a core component of good corporate governance and an integral part of risk management which provides business resilience in the face of crisis and ensures continuity of operations, is aligned with ISO22301:2012 Societal Security – Business Continuity Management Systems.

Key aspects of the risk management process during the year under review were:

- Risks were identified by each key business function or activity along with assessments of the probability and impact of their occurrence. The level of residual risk was determined after identifying and evaluating the effectiveness of existing controls and mitigating measures.

- The risk profiles were re-examined on a six monthly basis and Business or Operation Heads provided a confirmation that the review was carried out and that action plans were being monitored.

- The Risk Management Department facilitated discussions with Business or Operation Heads to assess the reasonableness of the risks identified and the appropriateness of the proposed mitigating actions.

- On a quarterly basis the RBCMC and EXCO met to review the status of risk reviews, the significant risks identified and the progress of implementation of action plans. Consequently, a risk management report summarising the significant risks and/or status of action plans of the respective business or operating units would be presented to the RMC on a six monthly basis for their review, deliberation and recommendation for endorsement by the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

KEY RISKS FOR 2020

a. Financial Risk

The Group was exposed to foreign currency exchange, interest rate, credit, price and liquidity risks. With the objective of optimising value creation for shareholders, the strategies adopted to manage these risks were mostly to minimise potential adverse impact to the financial performance of the Group. These included entering into forward foreign currency exchange contracts, entering into floating-to-fixed interest rate swaps, a comprehensive insurance program and adherence to financial risk management policies.

b. Security Risk

The Group was exposed to external threats to its assets, employees and resources, which may interrupt business operations, threaten the safety of employees, impair the Group's reputation and/or result in financial loss. In light of this, vigilant security screening and monitoring was employed by the Group at all its key properties and assets.

c. Business Continuity Risk

The daily business activities of the Group may be disrupted by failure of IT systems, cyber-attacks, a major health pandemic (such as COVID-19) or even inaccessibility to the workplace. Appropriate systems with adequate capacity, security arrangements, facilities and resources to mitigate risks that may cause interruption to critical business functions have been put in place. Respective departments have established their Disaster Recovery and Business Continuity Management Plans, including the ability to work from home effectively. These plans were reviewed and updated and tests were conducted, including on the core information technology systems regularly to ascertain the Group's preparedness to respond to prolonged business disruption situations. During the Movement Control Order imposed by the Government in response to the COVID-19 pandemic, to the extent permitted, the Group had effectively maintained the continuity of its operations.

d. Cybersecurity Risk

The Group was exposed to the risk of malware, ransomware, unauthorised access, corruption and/or loss of its information assets. To manage these risks, processes have been put in place to manage and protect the confidentiality, integrity, and availability of data and critical infrastructure. Amongst others, network gateway protection systems limit, manage and monitor network traffic and accessibility to the Group's systems; anti-malware software installed in all systems and endpoints; and encryption used to protect critical and confidential data. Any notifications and alerts received for suspicious network traffic were investigated. Regular maintenance of the Group's systems were carried out and action taken to close any identified gaps.

e. Commodity Risk

As globally traded commodities, palm products are subject to fluctuations in selling prices stemming from the volatility and cyclicality of world markets. Aside from the global demand and supply dynamics of palm oil and other substitute oils and fats, a number of other factors may also affect the movement and direction of domestic and international palm product prices. These factors, some of which are interrelated and unforeseeable, include, but are not limited to, (i) import and export tariff barriers; (ii) agricultural policies and regulations imposed by importing and exporting countries; (iii) renewable fuel policies and regulations; (iv) food safety and quality standards; and (v) weather and other agricultural influences.

As GENP's profitability is correlated to the selling prices of palm products achieved, there is no assurance that adverse movements in the prices of CPO, PK and FFB will not have an adverse effect on the performance of GENP Group.

Some of the avenues available for industry participants to hedge against fluctuations in prices of palm products include commodity sales contracts and derivative instruments, including physical forwards, non-deliverable forwards, futures and options. However, there is no assurance that, in the event GENP Group chooses to enter such contracts or trade in such instrument, its financial results would not be adversely affected by fluctuations in the prices of the underlying commodity products.

f. Regulatory Risk

The Group's businesses are regulated by various laws, regulations and standards in the various jurisdictions where it operates. Therefore, the Group constantly assesses the impact of new or changes to such laws, regulations and standards ("Regulatory Requirements") affecting its businesses to ensure compliance.

Non-compliance with these Regulatory Requirements may give rise to corporate liability including inter alia penalties, fines and/or other forms of punishments.

In managing and mitigating the risk of non-compliance to these Regulatory Requirements, various measures were established, which amongst others include developing an in-depth understanding of the respective regulatory framework which governs the Group's operations in the various jurisdictions, leveraging the services of experienced internal and external lawyers, maintaining regular communications with the regulatory authorities, trade and industry associations, accounting and tax experts and implementing appropriate code of practice, policies, procedures, guidelines and internal controls that govern its employees and directors and where relevant and practicable, extends to its supply chain and other business associates.

ANTI-BRIBERY AND CORRUPTION SYSTEM

As part of the Group's commitment to conduct its business professionally, ethically and with the highest standards of integrity, the Group adopted and implemented an Anti-Bribery and Corruption System which articulates the Group's zero-tolerance approach against all forms of bribery and corruption, and the Group's commitment to uphold all applicable laws in relation to anti-bribery and corruption. Amongst others, the Anti-Bribery and Corruption System sets out the Code of Business Conduct for Third Parties, Code of Conduct and Ethics for Employees and Directors and the Whistleblower Policy.

CONCLUSION

The processes as outlined in this statement for identifying, evaluating and managing risks have been in place for the year under review and up to the date of approval of this statement. The risk management processes and internal control system of the Group have been reviewed and found to be operating adequately and effectively in all material respects and the Board has accordingly received a statement of assurance from the relevant key executive officers including the Chief Executive and Executive Director, Deputy Chief Executive and Executive Director, President & Chief Operating Officer and Chief Financial Officer of the Company.

The representations made by the Business or Operation Heads of the Group in respect of their risk management and internal control systems have been taken into consideration by the Board in issuing this statement.

The disclosures in this statement do not include the risk management and internal control practices of the Company's associated companies. The Company's interests in these entities are safeguarded through the appointment of members of the Company's senior management to the boards of directors of the investee companies. Additionally, where necessary, key financial and other appropriate information on the performance of these entities were obtained and reviewed periodically.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

This Statement on Risk Management and Internal Control has been made in accordance with the resolution of the Board dated 24 February 2021.

The Directors of **GENTING PLANTATIONS BERHAD** have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Company are plantation and provision of management services to its subsidiaries.

The principal activities of the subsidiaries include plantation, property development, property investment, genomics research and development and downstream manufacturing activities.

Details of the principal activities of the subsidiaries, joint ventures and associates are set out in Note 43 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit before taxation	323,209	247,207
Taxation	(71,980)	(3,589)
Profit for the financial year	251,229	243,618

TREASURY SHARES

The shareholders of the Company had granted a mandate to the Company to purchase its own shares at the Annual General Meeting of the Company held on 19 June 2020.

As at 31 December 2020, the total number of shares purchased was 160,000 and held as treasury shares in accordance with the provision of Section 127(4) of the Companies Act 2016 in Malaysia.

DIVIDENDS

Dividends paid by the Company since the end of the previous financial year were:

(i) a final single-tier dividend of 9.5 sen per ordinary share amounting to RM85,233,833 in respect of the financial year ended 31 December 2019 which was paid on 20 July 2020; and

(ii) an interim single-tier dividend of 6.0 sen per ordinary share amounting to RM53,831,894 in respect of the financial year ended 31 December 2020 which was paid on 24 September 2020.

A special single-tier dividend of 11.0 sen per ordinary share in respect of the financial year ended 31 December 2020 has been declared for payment on 30 March 2021 to shareholders registered in the Register of Members on 12 March 2021. Based on the total number of issued ordinary shares (excluding treasury shares) of the Company as at 31 December 2020, the special dividend would amount to RM98,691,805.

The Directors recommend payment of a final single-tier dividend of 4.0 sen per ordinary share in respect of the financial year ended 31 December 2020 to be paid to shareholders registered in the Register of Members on a date to be determined by the Directors. Based on the total number of issued ordinary shares (excluding treasury shares) of the Company as at 31 December 2020, the final dividend would amount to RM35,887,929.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in Note 35 to the financial statements.

ISSUE OF SHARES AND DEBENTURES

There were no issue of shares or debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

DIRECTORATE

The Directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)
Tan Sri Lim Kok Thay
Mr Tan Kong Han
Mr Lim Keong Hui
Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)
Mr Quah Chek Tin
Mr Ching Yew Chye
Mr Yong Chee Kong
Tan Sri Dato' Sri Zaleha binti Zahari

According to the Register of Directors' Shareholdings, the following persons who were Directors of the Company at the end of the financial year have interests in shares and/or performance shares of the Company; Genting Berhad, a company which owns 55.39% equity interest in the Company as at 31 December 2020; Genting Malaysia Berhad, a company which is 49.45% owned by Genting Berhad; and Genting Singapore Limited, a subsidiary of Genting Berhad, as set out below:

Interest in the Company	1.1.2020	Acquired *(Number of ordinary shares)*	Disposed	31.12.2020
Shareholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	442,800	-	-	442,800
Mr Yong Chee Kong	1,000	-	-	1,000
Mr Tan Kong Han	24,000	30,000	-	54,000
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	488,406,000[1]	-	-	488,406,000[1]
Mr Lim Keong Hui	488,406,000[1]	-	-	488,406,000[1]
Interest of Spouse/Child of a Director				
Mr Yong Chee Kong	60,000	-	-	60,000

Interest in Genting Berhad	1.1.2020	Acquired	Disposed	31.12.2020
		(Number of ordinary shares)		
Shareholdings in which the Directors have direct interests				
Tan Sri Lim Kok Thay	68,119,980	-	-	68,119,980
Mr Tan Kong Han	650,000	170,000	-	820,000
Mr Quah Chek Tin	6,250	-	-	6,250
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	1,643,407,510(2)	12,528,600(2)	-	1,655,936,110(2)
Mr Tan Kong Han	100,000(7)	-	-	100,000(7)
Mr Lim Keong Hui	1,643,407,510(2)	12,528,600(2)	-	1,655,936,110(2)
Interest of Spouse/Child of the Directors				
Mr Quah Chek Tin	1,250,000	-	-	1,250,000
Mr Yong Chee Kong	1,000	-	-	1,000

Interest in Genting Malaysia Berhad	1.1.2020	Acquired	Disposed	31.12.2020
		(Number of ordinary shares)		
Shareholdings in which the Directors have direct interests				
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	10,000	-	-	10,000
Tan Sri Lim Kok Thay	20,003,648	4,969,896	-	24,973,544
Mr Tan Kong Han	310,000	280,000	-	590,000
Mr Lim Keong Hui	648,938	719,480	-	1,368,418
Mr Quah Chek Tin	5,000	-	-	5,000
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	2,796,992,189(3)	-	-	2,796,992,189(3)
Mr Tan Kong Han	53,500(7)	-	-	53,500(7)
Mr Lim Keong Hui	2,796,992,189(3)	-	-	2,796,992,189(3)
Interest of Spouse/Children of the Directors				
Tan Sri Lim Kok Thay	5,786	1,650	-	7,436
Mr Yong Chee Kong	9,000	-	-	9,000
Mr Ching Yew Chye	100,000	-	-	100,000

Interest in Genting Malaysia Berhad (cont'd)	1.1.2020	Granted	Vested	Lapsed	31.12.2020
	(Number of ordinary shares)				
Long Term Incentive Plan shares in the names of Directors					
Restricted Share Plan					
Tan Sri Lim Kok Thay	4,365,094[(4)]	-	494,225	-	3,870,869[(4)]
Mr Lim Keong Hui	685,800[(4)]	578,200[(4)]	60,000	-	1,204,000[(4)]
Performance Share Plan					
Tan Sri Lim Kok Thay	11,007,068[(4)]	-	4,475,671	-	6,531,397[(4)]
Mr Lim Keong Hui	1,981,164[(4)]	2,381,320[(4)]	659,480	151,438	3,551,566[(4)]
Interest of Spouse/Child of a Director					
Restricted Share Plan					
Tan Sri Lim Kok Thay	1,100[(4)]	47,800[(4)]	1,100	-	47,800[(4)]
Performance Share Plan					
Tan Sri Lim Kok Thay	550[(4)]	196,850[(4)]	550	-	196,850[(4)]

Interest in Genting Singapore Limited	1.1.2020	Acquired	Disposed	31.12.2020
	(Number of ordinary shares)			
Shareholdings in which the Directors have direct interests				
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	988,292	-	-	988,292
Tan Sri Lim Kok Thay	14,195,063	750,000	-	14,945,063
Mr Tan Kong Han	450,000	-	-	450,000
Mr Quah Chek Tin	1,190,438	-	-	1,190,438
Shareholdings in which the Directors have deemed interests				
Tan Sri Lim Kok Thay	6,353,828,069[(5)]	-	-	6,353,828,069[(5)]
Mr Tan Kong Han	100,000[(7)]	-	-	100,000[(7)]
Mr Lim Keong Hui	6,353,828,069[(5)]	-	-	6,353,828,069[(5)]

	1.1.2020	Awarded	Vested	31.12.2020
	(Number of performance shares)			
Performance Shares in the name of a Director				
Tan Sri Lim Kok Thay	750,000[(6)]	750,000[(6)]	750,000	750,000[(6)]

Legend:

(1) *Deemed interests by virtue of Tan Sri Lim Kok Thay ("TSLKT") and Mr Lim Keong Hui ("LKH") being beneficiaries of a discretionary trust of which Parkview Management Sdn Bhd ("PMSB") is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of Kien Huat International Limited ("KHI") which in turn owns 100% of the voting shares in Kien Huat Realty Sdn Berhad ("KHR"). KHR owns more than 20% of the voting shares of Genting Berhad ("GENT"), which in turn owns these ordinary shares in Genting Plantations Berhad ("GENP"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENP held by GENT as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GENT.*

(2) *Deemed interests by virtue of TSLKT and LKH being beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares in KHR. As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENT held by KHR and Inverway Sdn Bhd ("Inverway"), a wholly-owned subsidiary of KHR, by virtue of its controlling interest in KHR and Inverway.*

Arising from the above, TSLKT and LKH have deemed interests in the shares of certain subsidiaries of GENT.

(3) *Deemed interests by virtue of TSLKT and LKH being:*

(i) *beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares in KHR. KHR owns more than 20% of the voting shares of GENT which in turn owns these ordinary shares in Genting Malaysia Berhad ("GENM"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENM held by GENT as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GENT. PMSB as trustee of the discretionary trust is also deemed interested in the ordinary shares of GENM held by KHR by virtue of its controlling interest in KHR; and*

(ii) *beneficiaries of a discretionary trust of which Summerhill Trust Company (Isle of Man) Limited ("STC") is the trustee. Golden Hope Limited ("GHL") acts as trustee of Golden Hope Unit Trust ("GHUT"), a private unit trust whose voting units are ultimately owned by STC as trustee of the discretionary trust. GHL as trustee of GHUT owns ordinary shares in GENM.*

(4) *Represents the right of the participant to receive ordinary shares subject to the performance conditions as determined by the Remuneration Committee of GENM.*

(5) *Deemed interests by virtue of TSLKT and LKH being beneficiaries of a discretionary trust of which PMSB is the trustee.*

PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of Genting Singapore Limited ("GENS") held by KHR and Genting Overseas Holdings Limited, a wholly-owned subsidiary of GENT. KHR controls more than 20% of the voting share capital of GENT.

(6) *Represents the right of the participant to receive fully-paid ordinary shares of GENS free of charge, upon the participant satisfying the criteria set out in the Genting Singapore Performance Share Scheme and upon satisfying such criteria as may be imposed.*

(7) *Deemed interest by virtue of Mr Tan Kong Han ("TKH") being the sole director and shareholder of Chan Fun Chee Holdings Inc ("CFC") which currently holds the assets of his late grandmother's estate. TKH is the Executor of his late grandmother's estate and holding the CFC assets as trustee for himself and certain of his family members in accordance with the will of his late grandmother.*

Apart from the above disclosures:

(a) the Directors of the Company do not have any other interests in shares in the Company and in shares in other related corporations of the Company either at the beginning or end of the financial year; and

(b) neither during nor at the end of the financial year was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by the Directors and the provision for Directors' retirement gratuities shown in the financial statements or the fixed salary of a full-time employee of the Company and/or its related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he/she is a member or with a company in which he/she has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the following transactions:

(i) A corporation in which Tan Sri Lim Kok Thay is a director and has substantial financial interest, has:

(a) leased an office premise on the 10th Floor, Genting Centre, Singapore from Resorts World Properties Pte. Ltd., a wholly owned subsidiary of Genting Singapore Limited ("GENS") which in turn is an indirect 52.7% owned subsidiary of Genting Berhad ("GENT"); and

(b) been appointed by Genting Malaysia Berhad ("GENM"), a company which is 49.45% owned by GENT, as the consultant for theme park and resort development and operations of the Resorts World Genting at Genting Highlands.

(ii) Two (2) corporations in which Mr Lim Keong Hui has substantial financial interests, have licensed certain intellectual property and provided consultancy services for the design and construction of Zouk venues and certain dining venues at Resorts World Las Vegas, in partnership with Resorts World Las Vegas, LLC, an indirect wholly-owned subsidiary of GENT.

Tan Sri Lim Kok Thay, Lt. Gen. Dato' Abdul Ghani bin Abdullah (R) and Tan Sri Dato' Sri Zaleha binti Zahari are due to retire by rotation at the forthcoming Annual General Meeting in accordance with Paragraph 99 of the Company's Constitution and they, being eligible, have offered themselves for re-election.

DIRECTORS' REMUNERATION

Details of the remuneration of the Directors of the Company are set out in Note 11 to the financial statements.

The names of the directors of subsidiaries where the shares are held by the Company are listed below (excluding directors who are also directors of the Company):

Mr Tan Wee Kok
Mr Ng Say Beng
Mr Lee Ser Wor
Mr Tan Cheng Huat
Mr Choo Huan Boon
Datuk Abidin bin Madingkir
Dato' Justin Leong Ming Loong
Mr Narayanan Ramanathan
Datuk Chin Chee Kee
Datuk Mohd Hasnol bin Datuk Ayub
Datuk Yap Yiw Sin (Alternate director to Datuk Chin Chee Kee)
Mr Ngai Hon Leong
Mr Lee Weng Wah
Mr John Craig Brown
Mr Christopher James Tushingham (Alternate director to Mr John Craig Brown)

Total remuneration paid to the above directors by the subsidiaries of the Group during the financial year was RM0.11 million.

INDEMNITY AND INSURANCE COSTS

The Directors and officers of the Group and the Company are covered by Directors and Officers Liability Insurance ("D&O") for any liability incurred in the discharge of their duties provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance is taken by Genting Berhad, the holding company of the Company, on a Genting Berhad Group basis. The premium borne by the Company for the D&O coverage during the financial year amounted to RM0.1 million.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company, were written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amounts of the allowance for doubtful debts of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to the current assets in the financial statements of the Group or of the Company misleading; or

(iii) which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the financial statements of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or in the financial statements of the Group and of the Company, that would render any amount stated in the respective financial statements misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors:

(i) the results of the operations of the Group and of the Company for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SUBSIDIARIES

Details of subsidiaries of the Company are set out in Note 43 to the financial statements.

ULTIMATE HOLDING COMPANY

The Company's immediate and ultimate holding company is Genting Berhad, a company incorporated in Malaysia.

AUDITORS

Details of auditors' remuneration are set out in Note 9 to the financial statements.

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

Signed on behalf of the Board in accordance with a resolution of the Directors.

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Chairman

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Director

24 February 2021

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 72 to 151, are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and of the financial performance of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors.

GEN. DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ ZAINUDDIN (R)
Chairman

LT. GEN. DATO' ABDUL GHANI BIN ABDULLAH (R)
Director

24 February 2021

FINANCIAL STATEMENTS

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2020	2019	**2020**	2019
Revenue	5 & 6	**2,498,168**	2,266,402	**371,185**	237,311
Cost of sales	7	**(1,966,373)**	(1,847,586)	**(49,981)**	(53,352)
Gross profit		**531,795**	418,816	**321,204**	183,959
Other income		**60,459**	63,471	**48,431**	66,739
Selling and distribution costs		**(56,924)**	(72,180)	**(6,469)**	(7,196)
Administration expenses		**(120,931)**	(135,368)	**(57,086)**	(69,944)
Other expenses		**(30,060)**	(30,667)	**(13,827)**	(25,242)
Other gains/(losses)	8	**(2,166)**	(4,373)	**2,029**	(1,085)
Operating profit		**382,173**	239,699	**294,282**	147,231
Finance cost		**(91,462)**	(104,120)	**(47,075)**	(48,084)
Share of results in joint ventures		**28,854**	47,644	**-**	-
Share of results in associates		**3,644**	2,242	**-**	-
Profit before taxation	5 & 9	**323,209**	185,465	**247,207**	99,147
Taxation	12	**(71,980)**	(55,046)	**(3,589)**	1,212
Profit for the financial year		**251,229**	130,419	**243,618**	100,359
Attributable to:					
Equity holders of the Company		**254,356**	142,074	**243,618**	100,359
Non-controlling interests		**(3,127)**	(11,655)	**-**	-
		251,229	130,419	**243,618**	100,359
Earnings per share for profit attributable to the equity holders of the Company:					
- basic (sen)	13	**28.35**	16.62		
- diluted (sen)	13	**28.35**	16.62		

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

	Group		Company	
	2020	2019	**2020**	2019
Profit for the financial year	**251,229**	130,419	**243,618**	100,359
Other comprehensive (loss)/income, net of tax				
Items that will not be reclassified subsequently to profit or loss:				
Actuarial (loss)/gain on retirement benefit liability	**(1,307)**	570	**-**	-
	(1,307)	570	**-**	-
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedge				
- Fair value changes	**(4,127)**	(31,718)	**-**	-
- Reclassifications	**15,834**	(3,481)	**-**	-
	11,707	(35,199)	**-**	-
Foreign currency translation differences	**(70,340)**	48,807	**-**	-
	(58,633)	13,608	**-**	-
Other comprehensive (loss)/income for the financial year, net of tax	**(59,940)**	14,178	**-**	-
Total comprehensive income for the financial year	**191,289**	144,597	**243,618**	100,359
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	**198,759**	148,144		
Non-controlling interests	**(7,470)**	(3,547)		
	191,289	144,597		

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2020	2019	**2020**	2019
ASSETS					
Non-current assets					
Property, plant and equipment	15	**4,267,582**	4,365,549	**150,050**	152,441
Land held for property development	16	**239,776**	243,580	**-**	-
Investment properties	17	**22,498**	23,052	**-**	-
Right-of-use assets	18	**964,069**	963,141	**156,678**	153,977
Intangible assets	19	**38,735**	32,558	**-**	-
Subsidiaries	20	**-**	-	**4,773,637**	4,403,698
Joint ventures	21	**225,307**	196,453	**-**	-
Associates	22	**13,780**	10,136	**1,872**	1,872
Financial assets at fair value through profit or loss	23	**3,381**	3,263	**-**	-
Financial assets at fair value through other comprehensive income	24	**-**	-	**-**	-
Other non-current assets	25	**167,398**	50,312	**641,142**	593,388
Deferred tax assets	26	**52,724**	78,965	**-**	-
		5,995,250	5,967,009	**5,723,379**	5,305,376
Current assets					
Property development costs	16	**21,054**	45,681	**-**	-
Inventories	27	**156,411**	253,844	**2,351**	3,609
Produce growing on bearer plants	28	**8,243**	6,901	**550**	429
Tax recoverable		**9,447**	11,156	**3,093**	4,403
Trade and other receivables	29	**665,075**	613,150	**42,969**	55,581
Amounts due from subsidiaries	20	**-**	-	**135,884**	245,379
Amounts due from other related companies	30	**-**	-	**461**	1,770
Amounts due from joint ventures	21	**2,639**	4,192	**-**	-
Amounts due from associates	22	**191**	244	**191**	244
Derivative financial assets	38	**23,326**	1,141	**-**	-
Financial assets at fair value through profit or loss	23	**600,260**	600,000	**600,260**	600,000
Restricted cash	31	**15,230**	-	**-**	-
Cash and cash equivalents	31	**943,627**	955,093	**377,239**	648,131
		2,445,503	2,491,402	**1,162,998**	1,559,546
Assets classified as held for sale	32	**-**	1,789	**-**	-
		2,445,503	2,493,191	**1,162,998**	1,559,546
Total assets		**8,440,753**	8,460,200	**6,886,377**	6,864,922

STATEMENTS OF FINANCIAL POSITION (cont'd)

AS AT 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2020	2019	**2020**	2019
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	33	**1,724,016**	1,724,016	**1,724,016**	1,724,016
Treasury shares	34	**(1,372)**	(1,372)	**(1,372)**	(1,372)
Reserves	35	**3,192,282**	3,150,475	**3,926,795**	3,822,242
		4,914,926	4,873,119	**5,649,439**	5,544,886
Non-controlling interests		**122,729**	186,474	**-**	-
Total equity		**5,037,655**	5,059,593	**5,649,439**	5,544,886
Non-current liabilities					
Borrowings	39	**2,287,119**	2,103,487	**-**	-
Lease liabilities	18	**9,748**	5,847	**8,997**	4,613
Amount due to a subsidiary	20	**-**	-	**1,000,000**	1,000,000
Provisions	37	**31,508**	31,151	**14,299**	17,701
Derivative financial liabilities	38	**4,671**	4,184	**-**	-
Deferred tax liabilities	26	**321,839**	334,447	**24,439**	23,437
Deferred income	40	**14,423**	13,693	**-**	-
		2,669,308	2,492,809	**1,047,735**	1,045,751
Current liabilities					
Trade and other payables	36	**386,614**	379,101	**21,545**	17,764
Amount due to ultimate holding company	30	**1,520**	2,007	**1,520**	2,007
Amounts due to subsidiaries	20	**-**	-	**163,702**	169,222
Amounts due to other related companies	30	**435**	224	**435**	224
Borrowings	39	**303,677**	485,479	**-**	82,913
Lease liabilities	18	**2,288**	2,405	**2,001**	2,155
Derivative financial liabilities	38	**33,073**	33,544	**-**	-
Taxation		**6,183**	5,038	**-**	-
		733,790	907,798	**189,203**	274,285
Total liabilities		**3,403,098**	3,400,607	**1,236,938**	1,320,036
Total equity and liabilities		**8,440,753**	8,460,200	**6,886,377**	6,864,922

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

Group	Attributable to equity holders of the Company								
	Share Capital	Fair Value Reserve	Reserve on Exchange Differences	Cash Flow Hedge Reserve	Treasury Shares	Retained Earnings	Total	Non-controlling Interests	Total Equity
At 1 January 2020	1,724,016	(84,586)	(200,980)	(30,859)	(1,372)	3,466,900	4,873,119	186,474	5,059,593
Profit/(Loss) for the financial year	-	-	-	-	-	254,356	254,356	(3,127)	251,229
Other comprehensive income/(loss)	-	-	(62,513)	7,963	-	(1,047)	(55,597)	(4,343)	(59,940)
Total comprehensive income/(loss) for the financial year	-	-	(62,513)	7,963	-	253,309	198,759	(7,470)	191,289
Transactions with owners:									
Effects arising from changes in composition of the Group	-	-	-	-	-	(17,887)	(17,887)	(54,113)	(72,000)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(17,887)	(17,887)	(54,113)	(72,000)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(2,162)	(2,162)
Appropriation:									
- Final single-tier dividend paid for the financial year ended 31 December 2019 *(9.5 sen)* *(see Note 14)*	-	-	-	-	-	(85,234)	(85,234)	-	(85,234)
- Interim single-tier dividend paid for the financial year ended 31 December 2020 *(6.0 sen)* *(see Note 14)*	-	-	-	-	-	(53,831)	(53,831)	-	(53,831)
Total contributions by and distribution to owners	-	-	-	-	-	(139,065)	(139,065)	(2,162)	(141,227)
Total transactions with owners	-	-	-	-	-	(156,952)	(156,952)	(56,275)	(213,227)
At 31 December 2020	1,724,016	(84,586)	(263,493)	(22,896)	(1,372)	3,563,257	4,914,926	122,729	5,037,655

Amounts in RM'000 unless otherwise stated

	Attributable to equity holders of the Company									
Group	**Share Capital**	**Warrants Reserve**	**Fair Value Reserve**	**Reserve on Exchange Differences**	**Cash Flow Hedge Reserve**	**Treasury Shares**	**Retained Earnings**	**Total**	**Non-controlling Interests**	**Total Equity**
At 1 January 2019	863,267	151,785	(84,586)	(236,955)	(442)	(1,372)	3,428,689	4,120,386	191,873	4,312,259
Profit for the financial year	-	-	-	-	-	-	142,074	142,074	(11,655)	130,419
Other comprehensive income/(loss)	-	-	-	35,975	(30,417)	-	512	6,070	8,108	14,178
Total comprehensive income/(loss) for the financial year	-	-	-	35,975	(30,417)	-	142,586	148,144	(3,547)	144,597
Transactions with owners:										
Effects arising from changes in composition of the Group	-	-	-	-	-	-	(84)	(84)	84	-
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(84)	(84)	84	-
Issue of shares upon exercise of warrants *(see Note 33)*	860,749	(150,655)	-	-	-	-	-	710,094	-	710,094
Transfer of warrants reserve upon expiry of warrants to retained earnings	-	(1,130)	-	-	-	-	1,130	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,936)	(1,936)
Appropriation:										
- Final single-tier dividend paid for the financial year ended 31 December 2018 *(8.25 sen)* *(see Note 14)*	-	-	-	-	-	-	(74,019)	(74,019)	-	(74,019)
- Interim single-tier dividend paid for the financial year ended 31 December 2019 *(3.5 sen)* *(see Note 14)*	-	-	-	-	-	-	(31,402)	(31,402)	-	(31,402)
Total contributions by and distribution to owners	860,749	(151,785)	-	-	-	-	(104,291)	604,673	(1,936)	602,737
Total transactions with owners	860,749	(151,785)	-	-	-	-	(104,375)	604,589	(1,852)	602,737
At 31 December 2019	1,724,016	-	(84,586)	(200,980)	(30,859)	(1,372)	3,466,900	4,873,119	186,474	5,059,593

Amounts in RM'000 unless otherwise stated

Company	Non-Distributable Share Capital	Non-Distributable Fair Value Reserve	Distributable Retained Earnings	Distributable Treasury Shares	Total
At 1 January 2020	1,724,016	5	3,822,237	(1,372)	5,544,886
Profit/Total comprehensive income for the financial year	-	-	243,618	-	243,618
Transactions with owners:					
Appropriation:					
- Final single-tier dividend paid for the financial year ended 31 December 2019 *(9.5 sen) (see Note 14)*	-	-	(85,234)	-	(85,234)
- Interim single-tier dividend paid for the financial year ended 31 December 2020 *(6.0 sen) (see Note 14)*	-	-	(53,831)	-	(53,831)
Total transactions with owners	-	-	(139,065)	-	(139,065)
At 31 December 2020	1,724,016	5	3,926,790	(1,372)	5,649,439

STATEMENTS OF CHANGES IN EQUITY (cont'd)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

	Non-Distributable			Distributable		
Company	**Share Capital**	**Warrants Reserve**	**Fair Value Reserve**	**Retained Earnings**	**Treasury Shares**	**Total**
At 1 January 2019	863,267	151,785	5	3,826,169	(1,372)	4,839,854
Profit/Total comprehensive income for the financial year	-	-	-	100,359	-	100,359
Transactions with owners:						
Issue of shares upon exercise of warrants *(see Note 33)*	860,749	(150,655)	-	-	-	710,094
Transfer of warrants reserve upon expiry of warrants to retained earnings	-	(1,130)	-	1,130	-	-
Appropriation:						
- Final single-tier dividend paid for the financial year ended 31 December 2018 *(8.25 sen) (see Note 14)*	-	-	-	(74,019)	-	(74,019)
- Interim single-tier dividend paid for the financial year ended 31 December 2019 *(3.50 sen) (see Note 14)*	-	-	-	(31,402)	-	(31,402)
Total transactions with owners	860,749	(151,785)	-	(104,291)	-	604,673
At 31 December 2019	1,724,016	-	5	3,822,237	(1,372)	5,544,886

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2020	2019	**2020**	2019
Cash flows from operating activities					
Profit before taxation		**323,209**	185,465	**247,207**	99,147
Adjustments for:					
Depreciation of property, plant and equipment		**222,864**	220,060	**21,626**	22,348
Depreciation of investment properties		**554**	630	**-**	-
Depreciation of right-of-use assets		**10,234**	9,889	**3,142**	3,266
Amortisation of intangible assets		**48**	-	**-**	-
Property, plant and equipment written off		**1,378**	1,241	**203**	762
Impairment loss on investment in subsidiaries		**-**	-	**10,300**	18,870
(Write back of impairment loss)/impairment loss on amounts due from subsidiaries		**-**	-	**(485)**	190
Write off of receivables		**19**	195	**10**	161
Write-down/(reversal of write-down) on land held for property development		**1,243**	(266)	**-**	-
Provision for/(write-back of) retirement gratuities/ benefits		**5,234**	10,150	**(3,402)**	5,589
Impairment loss/(write back of impairment loss) on receivables		**133**	(28)	**-**	-
Loss/(gain) on disposal of property, plant and equipment		**27**	(33)	**(3)**	(8)
Gain from disposal of assets classified as held for sale		**(11,311)**	-	**-**	-
Net fair value gain on financial assets at fair value through profit or loss ("FVTPL")		**(260)**	-	**(260)**	-
Deferred income recognised for government grant		**(33)**	-	**-**	-
Fair value changes arising from produce growing on bearer plants		**(8,168)**	(3,076)	**(550)**	(47)
Share of results in joint ventures		**(28,854)**	(47,644)	**-**	-
Share of results in associates		**(3,644)**	(2,242)	**-**	-
Investment income		**(14,993)**	(15,599)	**(14,993)**	(15,599)
Interest income		**(19,950)**	(32,161)	**(32,100)**	(50,378)
Finance cost		**91,462**	104,120	**47,075**	48,084
Net unrealised foreign exchange differences		**(1,649)**	1,993	**(1,768)**	(735)
Net surplus arising from Government acquisition		**(7,044)**	(6,245)	**-**	-
Dividend income		**-**	-	**(241,930)**	(125,090)
Other items		**-**	(1,854)	**-**	-
		237,290	239,130	**(213,135)**	(92,587)
Operating profit before changes in working capital		**560,499**	424,595	**34,072**	6,560
Property development costs		**24,627**	(6,451)	**-**	-
Inventories		**104,334**	37,227	**1,688**	(49)
Receivables		**(149,246)**	(122,443)	**4,602**	(42,106)
Amounts due from joint ventures		**1,553**	(999)	**-**	-
Amounts due from associates		**53**	1,979	**53**	1,979
Payables		**(23,069)**	11,897	**3,781**	(4,924)
Amount due to ultimate holding company		**(487)**	1,380	**(487)**	1,380
Amounts due from/to other related companies		**211**	(211)	**1,520**	(873)
Amounts due from/to subsidiaries		**-**	-	**(33,420)**	(34,007)
		(42,024)	(77,621)	**(22,263)**	(78,600)

STATEMENTS OF CASH FLOWS (cont'd)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2020	2019	**2020**	2019
Cash generated from/(used in) operations		**518,475**	346,974	**11,809**	(72,040)
Tax paid (net of tax refund)		**(65,357)**	(49,349)	**(1,277)**	(2,960)
Retirement gratuities/benefits paid		**(3,245)**	(2,587)	**-**	-
Net cash flows generated from/(used in) operating activities		**449,873**	295,038	**10,532**	(75,000)
Cash flows from investing activities					
Proceeds received from Government acquisition		**10,334**	1,631	**-**	-
Interest received		**19,724**	32,161	**9,510**	23,033
Dividends received from associates		**-**	1,750	**-**	1,750
Investment income		**14,993**	15,599	**14,993**	15,599
Proceeds from disposal of property, plant and equipment		**255**	307	**43**	38
Proceeds from disposal of assets classified as held for sale		**12,183**	-	**-**	-
Proceeds from government grant		**763**	-	**-**	-
Land held for property development		**(3,563)**	(2,147)	**-**	-
Purchase of property, plant and equipment		**(279,784)**	(357,126)	**(19,819)**	(18,891)
Purchase of right-of-use assets		**(12,873)**	(20,495)	**(54)**	(20)
Purchase of intangible assets		**(6,982)**	-	**-**	-
Investment in subsidiaries		**-**	-	**(14,957)**	(14,418)
Financial assets at FVTPL		**-**	(249,984)	**-**	(249,984)
Advances to subsidiaries		**-**	-	**(163,515)**	(301,084)
Repayment of advances from subsidiaries		**-**	-	**161,910**	75,565
Net cash flows used in investing activities		**(244,950)**	(578,304)	**(11,889)**	(468,412)
Cash flows from financing activities					
Proceeds from bank borrowings		**1,310,101**	530,620	**278,172**	373,617
Proceeds from issue of shares upon exercise of warrants		**-**	710,094	**-**	710,094
Repayment of bank borrowings and transaction costs		**(1,263,415)**	(709,855)	**(360,012)**	(291,420)
Finance cost paid		**(105,293)**	(134,016)	**(47,011)**	(47,377)
Repayment of lease liabilities		**(2,974)**	(2,833)	**(2,468)**	(2,468)
Dividends paid		**(139,065)**	(105,421)	**(139,065)**	(105,421)
Dividends paid to non-controlling interests		**(2,162)**	(1,936)	**-**	-
Restricted cash		**(15,230)**	-	**-**	-
Net cash flows (used in)/generated from financing activities		**(218,038)**	286,653	**(270,384)**	637,025
Net change in cash and cash equivalents		**(13,115)**	3,387	**(271,741)**	93,613
Cash and cash equivalents at beginning of the financial year		**955,093**	949,885	**648,131**	553,365
Effects of currency translation		**1,649**	1,821	**849**	1,153
Cash and cash equivalents at end of the financial year	31	**943,627**	955,093	**377,239**	648,131

Amounts in RM'000 unless otherwise stated

Note:

(a) The following principal non-cash transactions during the financial year have been set-off against amounts due from subsidiaries:

	Company	
	2020	2019
(i) Capitalisation of intercompany balances as redeemable convertible non-cumulative preference shares	**293,282**	388,350
(ii) Dividend income from subsidiaries	**241,930**	123,340

(b) The consideration for the acquisition of the 72 million ordinary shares in Genting Biorefinery Sdn Bhd amounting to RM72 million in the current financial year was set-off against the proceeds from disposal of certain property, plant and equipment and other receivables of RM64 million and RM8 million respectively.

(c) Reconciliation of liabilities arising from financing activities

Group	Lease liabilities	Borrowings	Total
2020			
Beginning of the financial year	**8,252**	**2,588,966**	**2,597,218**
Cash flows	**(2,974)**	**(58,607)**	**(61,581)**
Non-cash changes:			
Finance cost charged to profit or loss	**616**	**90,846**	**91,462**
Finance cost capitalised	**-**	**28,296**	**28,296**
Acquisitions - leases	**6,142**	**-**	**6,142**
Foreign exchange differences	**-**	**(58,705)**	**(58,705)**
End of financial year	**12,036**	**2,590,796**	**2,602,832**
2019			
Beginning of the financial year	9,569	2,786,378	2,795,947
Cash flows	(2,833)	(313,251)	(316,084)
Non-cash changes:			
Finance cost charged to profit or loss	454	103,666	104,120
Finance cost capitalised	-	25,860	25,860
Acquisitions - leases	1,062	-	1,062
Foreign exchange differences	-	(13,687)	(13,687)
End of financial year	8,252	2,588,966	2,597,218

Amounts in RM'000 unless otherwise stated

Note:

(c) Reconciliation of liabilities arising from financing activities (cont'd)

Company	Lease liabilities	Borrowings	Amount due to a subsidiary	Total
2020				
Beginning of the financial year	**6,768**	**82,913**	**1,000,000**	**1,089,681**
Cash flows	**(2,468)**	**(82,651)**	**(46,200)**	**(131,319)**
Non-cash changes:				
Finance cost charged to profit or loss	**556**	**319**	**46,200**	**47,075**
Acquisitions – leases	**6,142**	**-**	**-**	**6,142**
Foreign exchange differences	**-**	**(581)**	**-**	**(581)**
End of financial year	**10,998**	**-**	**1,000,000**	**1,010,998**
2019				
Beginning of the financial year	8,828	-	1,000,000	1,008,828
Cash flows	(2,468)	81,020	(46,200)	32,352
Non-cash changes:				
Finance cost charged to profit or loss	408	1,476	46,200	48,084
Foreign exchange differences	-	417	-	417
End of financial year	6,768	82,913	1,000,000	1,089,681

Amounts in RM'000 unless otherwise stated

1. CORPORATE INFORMATION

Genting Plantations Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is 24th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur.

The principal activities of the Company are plantation and provision of management services to its subsidiaries.

The principal activities of the subsidiaries include plantation, property development, property investment, genomics research and development and downstream manufacturing activities.

Details of the principal activities of the subsidiaries, joint ventures and associates are set out in Note 43 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 24 February 2021.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with and comply with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on a historical cost basis, except as disclosed in the significant accounting policies below.

The preparation of financial statements in conformity with MFRS requires the Directors to make judgements, estimations and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the financial year. It also requires Directors to exercise their judgements in the process of applying the Group and the Company's accounting policies. Although these judgements and estimations are based on Directors' best knowledge current events and actions, actual results could differ from those judgements and estimations.

(a) Judgements and estimations

In the process of applying the Group's accounting policies, management makes judgements and estimations that can significantly affect the amount recognised in the financial statements. These judgements and estimations include:

i) Income taxes

The Group is subject to income taxes in numerous jurisdictions in which the Group operates. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. The Group also recognised certain tax recoverable for which the Group believes that there is reasonable basis for recognition. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions and tax recoverable balance in the financial year in which such determination is made.

ii) Deferred tax assets

Deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

2. BASIS OF PREPARATION (cont'd)

(a) Judgements and estimations (cont'd)

iii) Property development activities

The Group recognises property development revenue over time using the input method, which is based on the contract costs incurred to-date to the estimated total costs for the contract. Significant judgement is required in determining the extent of the costs incurred and the estimated total contract revenue and costs, as well as the recoverability of the contracts. In making the judgement, the Group relies on past experience and work of specialists. The carrying amount of the Group's property development activities is shown in Note 16 to the financial statements.

iv) Valuation of unquoted financial assets at fair value through profit or loss ("FVTPL") and financial assets at fair value through other comprehensive income ("FVOCI")

The Group measures its unquoted financial assets at FVTPL and FVOCI at fair value. The fair values of debt instruments and unquoted equity are determined based on valuation techniques which involve the use of estimates as disclosed in Notes 23 and 24 respectively. In addition, the fair value measurements of these financial assets that are within Level 3 are disclosed in Note 4(c) to the financial statements.

v) Goodwill with indefinite useful life

The Group tests goodwill with indefinite useful life for impairment annually or whenever events indicate that the carrying amount may not be recoverable. The calculation requires the use of estimates as set out in Note 19 to the financial statements.

vi) Impairment of property, plant and equipment, investment properties, right-of-use assets, intangible assets (excluding goodwill), investment in subsidiaries, joint venture and associates

The Group tests property, plant and equipment, investment properties, intangible assets (excluding goodwill), right-of-use assets, investment in subsidiaries, joint venture and associates for impairment if there is any objective evidence of impairment in accordance with the respective accounting policies. The determination of recoverable amount involves significant judgement over the future performance of these assets or entities, which might differ materially from the actual results.

vii) Produce growing on bearer plants

The produce growing on bearer plants of the Group comprises fresh fruit bunches ("FFB") prior to harvest.

Management has deliberated on the oil content of such unharvested FFB which is unripe and concluded that since the oil content of unharvested FFB accrues exponentially up to 15 days prior to harvest, such unharvested FFB more than 15 days are excluded from the valuation as their fair values are considered negligible. The fair value of unharvested FFB is computed based on market approach which takes into consideration the market prices of harvested FFB, adjusted for the estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell.

viii) Leases

The measurement of the "right-of-use" asset and lease liability for leases where the Group is a lessee requires the use of judgements and assumptions, such as lease term and incremental borrowing rate. In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. In determining the incremental borrowing rate, the Group first determine the closest borrowing rate before using judgement to determine the adjustments required to reflect the term, security, value of economic environment of the respective leases.

(b) Standards, amendments to published standards and interpretation that are effective

The Group has applied the following standards and amendments for the first time for the financial year beginning on 1 January 2020:

- The Conceptual Framework for Financial Reporting (Revised 2018)
- Amendments to MFRS 3 "Definition of a Business"
- Amendments to MFRS 9, MFRS 139 and MFRS 7 "Interest Rate Benchmark Reform"
- Amendments to MFRS 101 and MFRS 108 "Definition of Material"

The adoption of these amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

2. BASIS OF PREPARATION (cont'd)

(c) IFRIC agenda decisions issued in the prior financial year

In view that MFRS is fully converged with IFRS, the Group considers all agenda decisions published by the IFRS Interpretation Committee ("IFRIC"). Where relevant, the Group may change its accounting policy to be aligned with the agenda decision.

During the financial year, the Group has assessed the implication of the IFRIC agenda decision on over time transfer of constructed development properties. The IFRIC agenda decision explained that receivables and contract assets are not qualifying assets for the purpose of capitalisation of borrowing costs. The agenda decision also clarified that work-in-progress inventories are not qualifying assets because such inventories are ready for its intended sale under its current condition, as the inventories will be transferred to the customer as soon as the Group finds a buyer and signs the contract with the customer.

This IFRIC agenda decision did not have any significant impact to the Group during the financial year as the Group did not incur any borrowing cost for its property development activities.

(d) Standards and amendments that have been issued but not yet effective

A number of new standards and amendments to standards and interpretations are effective for financial year beginning after 1 January 2020 as set out below. None of these is expected to have a significant effect on the financial statements of the Group, except the following:

- Amendments to MFRS 16 "COVID-19-Related Rent Concessions" (effective 1 June 2020) grant an optional exemption for lessees to account for a rent concession related to COVID-19 in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as a variable lease payment in the period(s) in which the event or condition that triggers the reduced payment occurs. The amendment, however, do not make any changes to lessor accounting.

  The exemption only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

  (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
  (b) any reduction in lease payments affects only payments due on or before 30 June 2021; and
  (c) there is no substantive change to other terms and conditions of the lease.

  The amendments shall be applied retrospectively.

- Annual Improvements to MFRS 9 "Fees in the 10% Test for Derecognition of Financial Liabilities" (effective 1 January 2022) clarifies that only fees paid or received between the borrower and the lender, including the fees paid or received on each other's behalf, are included in the cash flow of the new loan when performing the 10% test.

  An entity shall apply the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- Amendments to MFRS 3 "Reference to Conceptual Framework" (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework. The amendments did not change the current accounting for business combinations on acquisition date.

  The amendments provide an exception for the recognition of liabilities and contingent liabilities should be in accordance with the principles of MFRS 137 'Provisions, contingent liabilities and contingent assets' and IC Interpretation 21 'Levies' when falls within their scope. It also clarifies that contingent assets should not be recognised at the acquisition date.

  The amendments shall be applied prospectively.

2. BASIS OF PREPARATION (cont'd)

(d) Standards and amendments that have been issued but not yet effective (cont'd)

- Amendments to MFRS 116 "Proceeds Before Intended Use" (effective 1 January 2022) prohibit an entity from deducting from the cost of a property, plant and equipment the proceeds received from selling items produced by the property, plant and equipment before it is ready for its intended use. The sales proceeds should instead be recognised in profit or loss.

  The amendments also clarify that testing whether an asset is functioning properly refers to assessing the technical and physical performance of the property, plant and equipment.

  The amendments shall be applied retrospectively.

- Amendments to MFRS 137 "Onerous Contracts - Cost of Fulfilling a Contract" (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts. The amendments also clarify that before recognising a separate provision for an onerous contract, impairment loss that has occurred on assets used in fulfilling the contract should be recognised.

  The amendments shall be applied retrospectively.

- Amendments to MFRS 101 "Classification of Liabilities as Current or Non-Current" (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

  A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date. A loan is classified as non-current if a covenant is breached after the reporting date.

  The amendments shall be applied retrospectively.

The Group is still assessing the impact of these amendments to the financial statements and plans to adopt these amendments on the respective effective dates.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Basis of Consolidation (cont'd)

(a) Subsidiaries (cont'd)

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the transferred asset. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, a joint venture or a financial asset. In addition, any amounts previously recognised in other comprehensive income ("OCI") in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognised in OCI are reclassified to profit or loss. Gain or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

(d) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangements have rights to the assets and obligations for the liabilities, relating to the arrangement.

A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement. The Group's interests in joint ventures are accounted for in the consolidated financial statements by the equity method of accounting and are initially recognised at cost. Equity accounting involves recognising in profit or loss the Group's share of post acquisition results of joint ventures in the profit or loss and its share of post acquisition movements within reserves in OCI. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment.

The Group's investment in joint ventures includes goodwill (net of any accumulated impairment loss) identified on acquisition. See impairment policy note on impairment of non-financial assets.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the assets transferred. Where necessary, in applying the equity method, adjustments have been made to the financial statements of joint ventures to ensure consistency of accounting policies with those of the Group.

Equity accounting is discontinued when the carrying amount of the investment in joint ventures (including any long term interests that, in substance, form part of the Group's net investment in joint venture) reaches zero, unless the Group has incurred obligation or made payment on behalf of the joint venture.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Basis of Consolidation (cont'd)

(d) Joint arrangements (cont'd)

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in OCI in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This mean that amounts previously recognised in OCI are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in OCI is reclassified to profit or loss where appropriate. Dilution gains and losses arising from investments in joint venture are recognised in profit or loss.

(e) Associates

Associates are companies in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not control over those policies.

The Group's interest in associates are accounted for in the consolidated financial statements by the equity method of accounting and are initially recognised at cost. Equity accounting involves recognising the Group's share of post acquisition results of the associate in the profit or loss and its share of post acquisition movements within reserves in OCI. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. Equity accounting is discontinued when the carrying amount of the investment in an associate (including any long term interests that, in substance, form part of the Group's net investment in associate) reaches zero, unless the Group has incurred obligation or made payment on behalf of the associate.

The Group's investments in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition. See accounting policy note on impairment of non-financial assets.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the assets transferred. Where necessary, in applying the equity method, adjustments have been made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in OCI is reclassified to profit or loss where appropriate. Dilution gains and losses in investments in associates are recognised in profit or loss.

When the Group increases its stake in an existing investment and the investment becomes an associate for the first time, the cost of an associate acquired in stages is measured as the sum of the fair value of the interest previously held plus the fair value of any additional consideration transferred as of the date when the investment became an associate. Any gain or loss on re-measurement of the previously held stake is taken to profit or loss and any OCI recognised in prior periods in relation to the previously held stake in the acquired associate is also recognised in profit or loss. Any acquisition related costs are expensed in the periods in which the costs are incurred. Goodwill is determined on acquisition date, based on the difference between the cost of the investment (which comprise both fair value of consideration transferred for additional interest and fair value of interest previously held) and the Group's share of fair value of the associate's net assets.

The cost of acquiring additional stake in an associate is added to the carrying amount of the associate. This is the deemed cost of the Group's investment in the associate for applying equity accounting. Goodwill arising on the purchase of additional stake is computed using the fair value information at the date the additional interest is purchased. The previously held interest is not re-measured.

When the Group ceases to equity account its associate because of a loss of significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in OCI in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This means that amounts previously recognised in OCI are reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investments in Subsidiaries and Associates in the Company's separate financial statements

In the Company's separate financial statements, investments in subsidiaries and associates are shown at cost less accumulated impairment losses. On disposal of investments in subsidiaries and in associates, the difference between the disposal proceeds and the carrying amounts of these investments are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy on impairment of non-financial assets. The amounts due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investments in the subsidiaries.

Property, Plant and Equipment

Property, plant and equipment are tangible items that:

(i) are held for use in the production or supply of goods or services, or for administrative purposes; and

(ii) are expected to be used during more than one period.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

A bearer plant is a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales. Costs include plantation expenditures incurred from the stage of land clearing up to the stage of maturity.

Cost of other property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. See accounting policy on borrowings.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year that they are incurred.

The depreciable amount of an item of property, plant and equipment is determined as the difference between the cost less its residual value. The residual value is the estimated amount that the Group expects to obtain from disposal of the asset, after deducting the estimated cost to disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Freehold land is stated at cost and is not depreciated. Immature bearer plants and other property, plant and equipment which are under construction are not depreciated. Depreciation commences when the bearer plants mature or when the assets under construction are ready for their intended use.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Years
Land improvements	15
Bearer plants	22
Buildings and improvements	20 - 50
Plant and machinery	4 - 15
Motor vehicles	5
Furniture, fittings and equipment	3 - 10

The assets' residual values and useful lives are reviewed annually and revised, if appropriate.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Gains or losses on disposals are determined by comparing the net disposal proceeds with the carrying amounts and are included in profit or loss.

Investment Properties

Investment properties consist of investments in land and buildings that are held for long-term rental yield and/or for capital appreciation and are not occupied by the Group. It is initially measured at cost, including direct transaction costs and borrowing costs if the investment properties meet the definition of a qualifying asset.

Investment in freehold land is stated at cost. Other investment properties are stated at cost less accumulated depreciation and impairment losses. Investment properties under construction are not depreciated. Depreciation for other investment properties is calculated using the straight-line method to allocate their costs over their estimated useful lives, as follows:

	Years
Buildings and improvements	10 - 50

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investment Properties (cont'd)

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of non-financial assets.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its retirement from use.

Gains or losses on disposals are determined by comparing the net disposal proceeds with the carrying amounts and are included in profit or loss.

Right-of-use ("ROU") assets that meet the definition of investment property in accordance with MFRS 140 "Investment Property" is presented in the statements of financial position as investment property. Subsequent measurement of the ROU asset is consistent with those investment properties owned by the Group.

Leases

(a) Accounting for Lessee

Leases are recognised as ROU asset and a corresponding liability at the date on which the leased asset is available for use by the Group (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of properties for which the Group is a lessee, it has elected the practical expedient provided in MFRS 16 not to separate lease and non-lease components. Both components are accounted for as a single lease component and payments for both components are included in the measurement of lease liability.

Lease Term

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities. See accounting policy below on reassessment of lease liabilities.

ROU assets

The Group recognises ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use) at cost initially. ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses (if any). The cost of ROU assets includes the amount of the initial measurement of lease liability, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and decommissioning or restoration costs. The ROU assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The depreciation of leasehold lands is capitalised as part of the cost of bearer plant from the stage of land clearing up to the stage of maturity.

If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities. The Group presents ROU assets that meet the definition of investment property in the statements of financial position as investment property. ROU assets that are not investment properties are presented as a separate line item in the statements of financial position, except for leasehold land held for property development activities which is presented within "land held for property development" or "property development cost" in the statements of financial position.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases (cont'd)

(a) Accounting for Lessee (cont'd)

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase and extension option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This represents the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or change in the assessment of an option to purchase the underlying asset.

The Group presents the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in the statements of profit or loss.

Short-term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise information technology equipment, office equipment and small items of office furniture. Payments associated with short-term leases of offices, buildings, equipment and vehicles and all leases of low value assets are charged out on a straight-line basis as an expense in profit or loss.

(b) Accounting for Lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(i) Operating lease

Leases where the Group retains substantially all risks and rewards of ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Lease incentives are recognised as other receivables where such incentives are provided by the Group and recognised net of lease income in profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognised as income in profit or loss when earned.

(ii) Sublease classification

When the Group is an intermediate lessor, it assesses the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases (cont'd)

(c) Separating Lease and Non-Lease Components

If an arrangement contains lease and non-lease components, the Group allocates the consideration in the contract to the lease and non-lease components based on the stand-alone selling price in accordance with the principles in MFRS 15.

Financial Assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

(i) those to be measured at fair value (either through OCI or through profit or loss); and
(ii) those to be measured at amortised cost.

The classification depends on the Group's and on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- Amortised cost

  Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/(expenses).

- FVTPL

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Fair value changes are recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

(ii) Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statements of profit or loss as applicable.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Assets (cont'd)

(d) Impairment

The Group assesses on a forward looking basis the expected credit loss ("ECL") associated with its debts instruments carried at amortised cost and financial guarantee contracts issued. The impairment methodology applied depends on whether there has been a significant increase in credit risk. See Note 4(a)(iii) for further details.

Impairment losses on trade receivables are presented within "Cost of sales" in profit or loss. Impairment losses on other debt instrument at amortised cost are presented within "Other expenses" in profit or loss.

Intangible Assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired and liabilities assumed. If the aggregate of consideration transferred, the amount of non-controlling interest and the fair value of previously held interest in the acquiree are less than the fair value of the net identifiable assets of the acquiree, the resulting gain is recognised in profit or loss. Goodwill is stated at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units ("CGU") for the purpose of annual impairment testing. The allocation is made to those CGU or groups of CGU that are expected to benefit from the business combination in which the goodwill arose.

(b) Licencing Fees

The licencing fee is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The cost is amortised using the straight line method over its estimated useful life, and amortisation commences when the assets are ready for their intended use (i.e upon the commissioning of the metathesis plant which will utilise the licence to produce specialty chemicals, olefins and oleochemicals). The amortisation period is reviewed at each reporting date and the effects of any revision are recognised in profit or loss when changes arise. Where an indication of impairment exists, the carrying amount of licences is assessed and written down immediately to its recoverable amount.

(c) Patents

The patents are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated losses. The patents are amortised over their granted periods. Where an indication of impairment exists, the carrying amount of patents is assessed and written down immediately to its recoverable amounts.

See accounting policy note on impairment of non-financial assets for intangible assets.

Property Development Activities

(a) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at the lower of cost and net realisable value.

Costs comprise cost of land and all related costs incurred on activities necessary to prepare the land for its intended use.

Land held for property development is transferred to property development costs and included under current assets when development activities have commenced and where the development activities can be completed within the normal operating cycle.

(b) Property development costs

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or costs that can be allocated on a reasonable basis to these activities. Property development costs are stated at the lower of cost and net realisable value, and are subsequently recognised as an expense in profit or loss as and when the control of the development unit is transferred to the customer.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Contract Assets and Contract Liabilities

Contract asset is the right to consideration for goods or services transferred to the customers when that right is conditioned on something other than the passage of time. In the case of property development, contract asset is the excess of cumulative revenue earned over the billings to-date, for which the billings to customers are based on progress milestones set out in Sale and Purchase Agreement ("SPA") with the customers. Contract asset is stated at cost less accumulated impairment losses. The amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset. See Note 4(a)(iii) for impairment of contract assets.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration in advance. In the case of property development, contract liability is the excess of the billings to-date over the cumulative revenue earned.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less costs to completion and selling expenses.

(a) Completed development properties

The cost of unsold completed properties comprise cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

(b) Plantation products and produce, palm oil derivative products, stores, spares, raw materials and consumables

Cost of plantation products and produce, palm oil derivative products, stores, spares, raw materials and consumables includes, where relevant, appropriate proportions of overheads and is determined on a weighted average basis.

Produce Growing on Bearer Plants

The produce growing on bearer plants of the Group comprises fresh fruit bunches ("FFB") prior to harvest. The produce growing on bearer plants are measured using the fair value less costs to sell ("FVLCTS") method. Any gains or losses arising from changes in the FVLCTS are recognised within cost of sales in profit or loss. The fair value of unharvested FFB is determined by using the market approach, which takes into consideration the market prices of FFB, adjusted for estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell.

Non-Current Assets Held for Sale

Non-current assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and FVLCTS.

An impairment loss is recognised for any initial or subsequent write-down of the asset to FVLCTS. A gain is recognised for any subsequent increases in FVLCTS of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities classified as held for sale continue to be recognised.

Non-current assets classified as held-for-sale are presented separately from the other assets in the statement of financial position. The liabilities classified as held for sale are presented separately from other liabilities in the statement of financial position.

Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment losses. Impairment assessment will be based on the ECL model where the changes in credit quality of receivables since initial recognition will determine the measurement of impairment losses at each reporting date. Impairment will be reversed if the credit quality improves. A credit loss is the difference between the present value ("PV") of cash flows that are due to the Group in accordance with the contract and the PV of cash flows that the Group expects to receive.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Receivables (cont'd)

Advances for plasma schemes represent the accumulated plantation development costs, including borrowing costs and indirect overheads, which are recoverable either through bank loans obtained by the plasma cooperatives or direct repayments from the cooperatives when these plasma areas come to maturity. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances.

Cash and Cash Equivalents

Cash and cash equivalents include cash and bank balances, money market instruments, deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value *(with original maturities of 3 months or less).*

Financial Liabilities

Financial liabilities comprise payables, borrowings, lease liabilities and intercompany balances. Financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are classified as current liabilities for those having maturity dates of less than twelve months after the reporting date, otherwise, the balance is classified as non-current.

Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another entity or to exchange financial assets or liabilities with another entity that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new shares, warrants, options or for the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

The proceeds received net of any directly attributable transaction costs are credited to share capital when new shares are issued.

Treasury Shares

A purchase by the Company of its own equity shares is accounted for under the treasury stock method. Under this method, the shares purchased and held as treasury shares is measured and carried at the cost of purchase (including any directly attributable incremental external costs, net of tax). On presentation in the statements of financial position, the carrying amount of the treasury shares is offset against equity. Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the distributable reserves. Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

Warrants Reserve

Proceeds from the issuance of warrants, net of issuance costs, are credited to warrants reserve. Warrants reserve is transferred to the share capital upon the exercise of the warrants. Warrants reserve in relation to unexercised warrants at the expiry of the warrants period is transferred to retained earnings.

Borrowings

Borrowings are recognised initially at fair value net of transaction cost incurred. Subsequently, borrowings are stated at amortised cost using the effective interest method. Any difference between the amount recorded as borrowings and the associated redemption value is recognised in profit or loss over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and are capitalised and amortised over the period of the facility to which it relates.

All other borrowings costs are charged to profit or loss.

Borrowings are derecognised from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the borrowings that have been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred and liabilities assumed, is recognised in profit or loss.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Borrowings (cont'd)

Interest income earned from specific borrowings which are invested temporarily pending the utilisation of such borrowings on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Any gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate of borrowings measured at amortised cost and modified without resulting in derecognition shall be recognised immediately in profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Financial Guarantee Contracts

Financial guarantee contracts are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due. Financial guarantee contracts are recognised initially at fair value. The fair value of financial guarantee is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the ECL model under MFRS 9 "Financial Instruments" and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 "Revenue from Contracts with Customers", where appropriate.

Impairment of Non-Financial Assets

The carrying amounts of non-financial assets other than inventories, assets arising from property development activities, deferred tax assets and non-current assets classified as held for sale are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, an impairment review is performed to assess whether the carrying amount of the asset is fully recoverable.

Irrespective of whether there is any indication of impairment, the Group also tests goodwill acquired in a business combination and intangible assets with indefinite useful life for impairment annually by comparing its carrying amount with its recoverable amount.

Impairment loss is recognised when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's FVLCTS and its value in use, which is measured by reference to discounted future cash flows. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets ("CGU").

An impairment loss is charged to profit or loss.

Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset. An impairment loss recognised for goodwill shall not be reversed.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. A contingent liability is disclosed, unless the possibility of an outflow of resource embodying economic benefit is remote. When a change in the probability of an outflow of economic resources occurs and the outflow is probable, it will then be recognised as a provision. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain. When inflow of economic resources is virtually certain, the asset is recognised.

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Contingent Liabilities and Contingent Assets (cont'd)

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where the fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provision of MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with MFRS 15 "Revenue from Contracts with Customers".

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits received under it.

Where the Group expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Income Taxes

Current taxation is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable income and is measured using the tax rates which are applicable at the reporting date.

Deferred tax liabilities and/or assets are recognised, using liability method, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their related tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deferred tax assets can be utilised. Deferred tax liabilities and assets are measured at the tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employee Benefits

(a) Short-term employee benefits

Short-term employee benefits include wages, salaries, bonuses, social security contributions and paid annual leave. These benefits are accrued when incurred and are measured on an undiscounted basis.

(b) Post-employment benefits

Post-employment benefits include defined contribution plans under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. These benefits are accrued when incurred and are measured on an undiscounted basis.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Employee Benefits (cont'd)

(c) Long-term employee benefits

(i) Long-term employee benefits include retirement gratuities payable to Executive Directors and a retirement gratuity scheme for Executives of the Company and certain subsidiaries. The level of retirement gratuities payable is determined by the Board of Directors in relation to the services rendered and it does not take into account the employee's performance to be rendered in later years up to retirement. The gratuity, which is calculated based on either on length of service and basic salary or on the emoluments earned in the immediate past three years, is a vested benefit when the employee reaches retirement age.

The present value of the retirement gratuities is determined by discounting the amount payable by reference to market yields at the reporting date on high quality corporate bonds which have terms to maturity approximating the terms of the related liability. Employee turnover is also factored in arriving at the level of the retirement gratuities payable. Past service costs are recognised immediately in profit or loss.

Such retirement gratuities payable are classified as current liabilities when it is probable that a payment will be made within the next twelve months and also provided that the amount has been approved for payment by the Board of Directors.

(ii) The Group provides employee benefits in respect of its Indonesia subsidiaries as required under the Indonesian Labor Law No. 13/2003. The Group is required to recognise a provision for employee service entitlements, which represents a defined benefit plan and the entitlement usually depends on several factors such as age, years of service and compensation.

The liability recognised in the statements of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation as at the reporting date, which is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates at the reporting date of government bonds that are denominated in Indonesian Rupiah, in which the benefits will be paid and that have terms to maturity approximating to the terms of the related defined benefit obligation.

Remeasurement arising from experience adjustments and changes in actuarial assumptions are recognised in OCI in the period in which they arise. Current and past service costs are recognised immediately in profit or loss.

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of MFRS 137 "Provisions, Contingent Liabilities and Contingent Assets" and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

Revenue/Income Recognition

(a) Revenue from contracts with customers

Revenue from contracts with customers is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfers controls of the goods or services promised in a contract and the customer obtains control of the goods and services. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of indirect taxes, returns, rebates and discounts. The transaction price is allocated to each distinct good or service promised in the contract. Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue/Income Recognition (cont'd)

(a) Revenue from contracts with customers (cont'd)

(i) Plantations and Downstream Manufacturing

The Group's revenue is derived mainly from its upstream and downstream operations.

In the upstream operations, the Group sells plantation products and produce such as crude palm oil, palm kernel and FFB (collectively known as "plantation products and produce"). In the downstream operations, revenue is essentially derived from sales of refined bleached deodorised palm oil, olein, stearin, biodiesel and crude glycerine (collectively known as "palm oil derivative products").

Revenue from sales of plantation products and produce, and palm oil derivative products are recognised (net of discount and taxes collected on behalf) at the point when the control of goods has been transferred to the customer. Based on the terms of the contract with the customer, control transfers upon delivery of the goods to a location specified by the customer and the acceptance of the goods by the customer.

There is no element of financing present as the Group's sales of goods are either on cash terms (including cash against document ("CAD") for export) or on credit terms ranging from 7 to 45 days. The Group's obligation to provide quality claims against off-spec goods under the Group's contractual terms is recognised as a provision.

Revenue from provision of tolling services is recognised in the period in which the manufacturing activities are performed. There is no element of financing present as sales are normally on CAD basis.

(ii) Property

Contracts with customers may include multiple promises to customers and are therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each separate performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement ("SPA"). When the Group determines that it is not probable that the Group will collect the consideration to which the Group is entitled to in exchange for the properties, the Group will defer the recognition of revenue from such sales of properties and consideration received from the customer is recognised as a contract liability. For such properties, the Group recognises revenue when it becomes probable that the Group will collect consideration to which it will be entitled to in exchange for the properties sold.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for work performance completed to-date.

The promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) as attached in its layout plan in the SPA. The purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised property for another use is substantive and therefore the promised properties sold to the purchasers do not have an alternative use to the Group. The Group has the right to payment for performance completed to-date, is entitled to continue to transfer to the customer the development units promised, and has the right to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the contract costs incurred to-date to the estimated total costs for the contract.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue/Income Recognition (cont'd)

(a) Revenue from contracts with customers (cont'd)

(ii) Property (cont'd)

For sale of completed properties, the Group recognises revenue when the control of the properties has been transferred to the purchasers.

(iii) Biotechnology

Revenue from sale of seeds and biofertiliser (collectively known as "genomics based products") are recognised (net of discount and taxes collected on behalf) at the point when the deliverable is made to the customers.

(iv) Fee from management services

Fee from management services is recognised as revenue over time during the period in which the services are rendered.

(b) Revenue from other sources

Revenue recognition criteria for other revenue earned by the Group are as follows:

(i) Lease income

Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term.

Lease income that are not generated as part of the Group's and of the Company's principal activities are classified as other income.

(ii) Dividend income

Dividend income from subsidiaries, joint ventures and associates are recognised when the right to receive payment is established.

(c) Other income

(i) Investment and interest income

Investment and interest income are recognised using the effective interest method.

Investment and interest income from financial assets at FVTPL are recognised as part of net gains or losses on these financial instruments.

Interest income from financial assets at amortised cost and financial assets at FVOCI is recognised as part of other income in the profit or loss, by using the effective interest method.

Investment and interest income are calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount (after deduction of the loss allowance).

Dividends

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings and accrued as a liability in the financial year in which the obligation to pay is established.

Government Grant

Government grant related to assets is recognised initially as deferred income at fair value when there is reasonable assurance that it will be received and the Group will comply with the conditions associated with the grant and is then recognised in profit or loss as other income on a systematic basis over the useful life of the assets when the assets are commissioned.

Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign Currency Translation (cont'd)

(b) Transactions and balances (cont'd)

Translation differences on non-monetary financial assets and liabilities such as equities held at FVTPL are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities held at FVOCI are included in reserve on exchange differences as OCI.

(c) Group companies

On consolidation, the results and financial position of all the Group's entities which have a functional currency different from that of the Group's presentation currency are translated into the Group's presentation currency as follows:

(i) assets and liabilities are translated at the closing rate at the reporting date;
(ii) income and expenses in profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
(iii) all resulting exchange differences are recognised as a separate component of OCI.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other financial instruments designated as hedges of such investments, are taken to OCI. When a foreign operation is partially disposed of or sold, such exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on disposal.

Intercompany loans where the settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent's net investment in these subsidiaries and translation differences arising therefrom are recognised in OCI.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising from the translation are recognised in OCI.

Derivative Financial Instruments and Hedging Activities

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivative that are not designated or do not qualify for hedge accounting are recognised in profit or loss within other gains/(losses).

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The effective portion of fair value changes of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve. The ineffective portion is recognised immediately in the profit or loss within other gains/(losses).

The gains or losses in equity are reclassified to the profit or loss in the periods when the hedged item affects profit or loss. In the case of interest rate swaps, the fair value changes in equity are reclassified to profit or loss when the interest expense on the hedged borrowings is recognised in the profit or loss unless the amount transferred can be capitalised as part of the cost of a self-constructed asset, in which case, both the reclassification and interest expense are capitalised.

When a hedging instrument expires or is sold or is terminated, or when the cash flow hedge is discontinued or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is only transferred to profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in cash flow hedge reserve is immediately transferred to profit or loss within other gains/(losses).

The carrying amount of the derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than twelve months, otherwise it will be classified as a current asset or liability.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments have been identified as the Chief Executive, Deputy Chief Executive, and the President and Chief Operating Officer of the Company.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Financial risk factors

The Group's overall financial risk management objective is to optimise the value creation for shareholders. The Group seeks to minimise the potential adverse impacts arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within clearly defined guidelines that are approved by the Board of Directors. Financial risk management is carried out through risk reviews conducted at all significant operating units. This process is further enhanced by effective internal controls, a comprehensive insurance programme and adherence to the financial risk management policies.

The main areas of financial risks faced by the Group are as follows:

(i) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk when the Company and its subsidiaries enter into transactions that are not denominated in their functional currencies. The Group attempts to significantly limit its exposure for committed transactions by entering into forward foreign currency exchange contracts within the constraints of market and government regulations.

The Group's principal foreign currency exposure relates mainly to United States Dollar ("USD") in the current financial year *(2019: USD)*.

The Group's exposure to foreign currencies in respect of its financial assets and financial liabilities as at the reporting date is as follows:

	USD	Others	Total
Group			
At 31 December 2020			
Financial assets			
Trade and other receivables	139,893	-	139,893
Cash and cash equivalents	84,151	1,887	86,038
	224,044	1,887	225,931
Financial liabilitiy			
Trade and other payables	(594)	-	(594)
Net currency exposure	223,450	1,887	225,337
Company			
At 31 December 2020			
Financial asset			
Cash and cash equivalents	52,750	-	52,750
Net currency exposure	52,750	-	52,750

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Financial risk factors (cont'd)

(i) Foreign currency exchange risk (cont'd)

	USD	Others	Total
Group			
At 31 December 2019			
Financial assets			
Trade and other receivables	13,279	-	13,279
Cash and cash equivalents	48,487	1,468	49,955
	61,766	1,468	63,234
Financial liabilities			
Trade and other payables	(350)	-	(350)
Borrowings	(89,696)	-	(89,696)
	(90,046)	-	(90,046)
Net currency exposure	(28,280)	1,468	(26,812)
Company			
At 31 December 2019			
Financial asset			
Cash and cash equivalents	34,608	-	34,608
Financial liability			
Borrowings	(82,913)	-	(82,913)
Net currency exposure	(48,305)	-	(48,305)

The following table demonstrates the sensitivity of the Group's profit after tax and equity to 3% *(2019: 1%)* strengthening of USD against the functional currency, with all other variables held constant.

	2020		2019	
	←Increase/(Decrease)→		← Increase/(Decrease) →	
	Profit after tax	**Equity**	Profit after tax	Equity
Group				
USD against the functional currency	**5,095**	**5,095**	(215)	(215)
Company				
USD against the functional currency	**1,203**	**1,203**	(367)	(367)

A 3% *(2019: 1%)* weakening of the above currencies against the functional currency would have the equal but opposite effect to the amount shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk

Interest rate risks arise mainly from the Group's borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group manages its cash flow interest rate risk by using the floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting the borrowings from floating rates to fixed rates. Under the interest rate swap, the Group agrees with a financial institution to exchange, at specific intervals, the difference between the fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Financial risk factors (cont'd)

(ii) Interest rate risk (cont'd)

The Group's outstanding borrowings as at the year end at variable rates for which hedges have not been entered into amounted to RM1,178.9 million *(2019: RM1,331.3 million)*. As at the reporting date, if annual interest rates had been 1% *(2019: 1%)* higher/lower respectively, with all other variables in particular foreign exchange rates and tax rate being held constant, the Group's profit after tax will be lower/higher by RM7.0 million *(2019: RM8.2 million)* as a result of increase/decrease in finance cost on those borrowings.

(iii) Credit risk

Risk management

The Group's and the Company's exposure to credit risk arises mainly from sales made on deferred credit terms, cash and cash equivalents, deposits with financial institutions, money market instruments, income funds and debts instruments carried at amortised cost. In addition, the Company is also exposed to credit risks arising from amounts due from subsidiaries, joint ventures and associates. Risks arising therefrom are minimised through:

- Effective monitoring of receivables and suspension of sales to customers whose accounts exceed the stipulated credit terms.
- Setting credit limits and reviewing credit history to minimise potential losses.
- Ensuring that the Group remains as the registered owner of the development properties (in respect of the Group's sale of development properties) until full settlement by the purchaser of the self-financed portion of the purchase consideration and upon obtaining the undertaking from the purchaser's end-financier.
- Investing cash assets safely and profitably, which involves placement of cash and cash equivalents and short-term deposits with creditworthy financial institutions. In addition, the Group and the Company set exposure limits as well as limit placement tenures to less than one year for each of the financial institutions.
- Assessment of counterparty's credit risks and setting of limits to minimise any potential losses. To minimise the Group's counterparty risk, the Group enters into derivative transactions only with creditworthy financial institutions.
- Purchasing insurance to protect the Group and the Company against insurable risks.
- Performing regular reviews of the aging profiles of amounts due from subsidiaries, joint ventures and associates.

Impairment

The Group has the following financial assets that are subject to the ECL model:

- Trade receivables for sales of goods and services and other receivables;
- Contract assets; and
- Debt instruments carried at amortised cost.

While cash and cash equivalents are also subject to the impairment requirements as set out in MFRS 9, there is no impairment loss identified given the financial strength of the financial institutions in which the Group and the Company have a relationship with.

The Group assesses on a forward looking basis the ECL associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment (cont'd)

The Group considers the probability of default upon initial recognition of an asset and whether there has been significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information, such as:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation;
- significant increases in credit risk on other financial instruments of the same debtor;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; or
- significant changes in the expected performance or behaviour of the debtor, including changes in the payment status of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed when a debt is past due unless there are specific reasons for delays in making payment within the credit period by certain debtors, which will be determined based on the past experience and credit risk profiles of these debtors.

The Group considers a trade receivable or other receivable as credit impaired when one or more events that have a detrimental impact on the estimated cash flow have occurred. These instances include adverse changes in the financial capability of the debtor and default or significant delay in payments.

Trade and other receivables are written off when there is no expectation of recovery, with a case-by-case assessment performed based on indicators such as insolvency or demise. Where the receivables are written off, the Group continues to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group and the Company use three categories for those receivables which reflect their credit risk and how the loss provision is determined for those categories.

(a) Trade receivables and contract assets using the simplified approach

The Group and the Company apply the simplified approach under MFRS 9 to measure ECL, which uses a lifetime ECL allowance for all trade receivables and contract assets. To measure the expected losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and days past due.

The expected loss rates are based on historical payment profiles of sales and the corresponding historical credit losses experienced during these periods. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors (such as palm products prices and crude oil price) affecting the ability of the customers to settle the receivables. The historical loss rates will be adjusted based on the expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

In determining the expected loss rates, the Group also takes into consideration of the collateral or payments received in advance, as set out below:

Plantation

Receivables are generally collected within the credit term and therefore, there is minimal exposure to doubtful debts. Upfront payments are also collected for certain sales made by the Group's subsidiaries in Indonesia.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment (cont'd)

(a) Trade receivables and contract assets using the simplified approach (cont'd)

Property

Purchasers are generally financed by loan facilities from banks.

Manufacturing

Sales made are generally accompanied by letters of credit, documentary collection or advance payments. Outstanding receivables are generally collected within the credit term.

The Group's maximum exposure to credit risk and loss allowance recognised as at 31 December 2020 and as at 31 December 2019 is disclosed in Note 29. The remaining amount in which no ECL allowance was recognised is deemed to be recoverable, with low probability of default.

(b) Debt instruments at amortised costs other than trade receivables and contract assets using the 3-stage approach

All of the Group's and of the Company's debt instruments at amortised costs other than trade receivables and contract assets are considered to have low credit risks, as these were considered to be performing, have low risks of default and historically there were minimal instances where contractual cash flow obligations have not been met.

The Group and the Company use four categories to reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group's and the Company's ECL model is as follows:

Category	**Definition of category**	**Basis for recognition of ECL provision**
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows.	12 months expected losses. Where the expected lifetime on an asset is less than 12 months, expected losses are measured at its expected lifetime.
Underperforming	Debtors for which there is a significant increase in credit risk due to actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation.	Lifetime expected losses
Non-performing	There is evidence indicating the assets are credit-impaired.	Lifetime expected losses
Write-off	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.	Asset is written off

Based on the above, loss allowance is measured on either 12 month ECL or lifetime ECL, by considering the likelihood that the debtor would not be able to repay during the contractual period, the percentage of contractual cash flows that will not be collected if default happens and the outstanding amount that is exposed to default risk.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Financial risk factors (cont'd)

(iii) Credit risk (cont'd)

Impairment (cont'd)

(b) Debt instruments at amortised costs other than trade receivables and contract assets using the 3-stage approach (cont'd)

For intercompany balances that are repayable on demand, the Company's ECL is based on the following assumptions:

- If the borrower has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the ECL is likely to be immaterial.
- If the borrower could not repay the loan if demanded at the reporting date, the Company considers the expected manner of recovery to measure the ECL. The recovery manner could be either through 'repayment over time' or a fire sale of less liquid assets by the borrower.
- If the recovery strategies indicate that the Company would fully recover the outstanding balance of the loan, the ECL would be limited to the effect of the discounting of the amount due on the loan, at the loan's effective interest rates, over the period until the amount is fully recovered.

The maximum exposure to credit risks for debt instruments at amortised cost other than trade receivables and contract assets are represented by the carrying amounts recognised in the statements of financial position.

(c) Financial guarantee contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowance was identified based on 12 months ECL.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except the following financial guarantee contracts which have not been reflected in the statements of financial position of the Group and of the Company:

	Group	
	2020	2019
Corporate guarantee provided by certain subsidiaries in Indonesia to banks on plasma farmers' loan facilities	**109,663**	139,914

	Company	
	2020	2019
Corporate guarantee provided to banks on Sukuk Murabahah	**1,000,000**	1,000,000

Information regarding other non-current assets and trade and other receivables that are neither past due nor impaired is disclosed in Notes 25 and 29 respectively. Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Financial risk factors (cont'd)

(iv) Price risk

The Group is largely exposed to commodity price risk due to fluctuations in palm products prices. The Group enters into commodity futures contracts to minimise exposure to adverse movements in palm products prices and manages its risk through established guidelines and policies. Commodity future contracts which are not held for the purpose of physical delivery are accounted for as cash flow hedges as disclosed in Note 38.

If the prices of the palm products increase by 5% *(2019: 5%)* respectively with all other variables including tax rate and the hedge effectiveness ratio being held constant, the increase/decrease in the fair value of commodity future contracts designated as cash flow hedges and their impact to the Group's profit after tax and equity will be as follows:

	2020		2019	
	←Increase/(Decrease)→		← Increase/(Decrease) →	
	Profit after tax	**Equity**	Profit after tax	Equity
Group				
Effect of change in palm products prices				
- Increase by 5%	**-**	**(8,151)**	-	(9,107)

A 5% decrease in the prices of palm products would have the equal but opposite effect to the amount shown above, on the basis that all other variable remain constant.

(v) Liquidity risk

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities. The Group's cash flow is reviewed regularly to ensure that the Group is able to settle its commitments when they fall due.

The Group manages its liquidity risk with the view to maintaining a healthy level of cash and cash equivalents appropriate to the operating environment and expected cash flows of the Group. Liquidity requirements are further enhanced with its undrawn committed borrowing facilities at all times and are sufficient and available to the Group to meet its obligations.

Generally, surplus cash held by the operating entities over and above balance required for working capital management are managed by the Company. The Company invests surplus cash in interest bearing accounts and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned cash flows of the Group.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Financial risk factors (cont'd)

(v) Liquidity risk (cont'd)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2020				
Group				
Trade and other payables	**375,370**	**-**	**-**	**-**
Borrowings (principal and finance costs)	**380,145**	**253,562**	**2,049,723**	**269,587**
Lease liabilities	**2,964**	**2,919**	**7,560**	**-**
Derivative financial liabilities	**33,073**	**2,223**	**2,448**	**-**
Amount due to ultimate holding company	**1,520**	**-**	**-**	**-**
Amounts due to other related companies	**435**	**-**	**-**	**-**
	793,507	**258,704**	**2,059,731**	**269,587**
Financial guarantee contracts	**109,663**	**-**	**-**	**-**
Company				
Trade and other payables	**19,307**	**-**	**-**	**-**
Lease liabilities	**2,468**	**2,468**	**7,403**	**-**
Amounts due to subsidiaries (principal and finance costs)	**206,738**	**46,073**	**1,115,563**	**-**
Amount due to ultimate holding company	**1,520**	**-**	**-**	**-**
Amounts due to other related companies	**435**	**-**	**-**	**-**
	230,468	**48,541**	**1,122,966**	**-**
Financial guarantee contracts	**1,000,000**	**-**	**-**	**-**
At 31 December 2019				
Group				
Trade and other payables	358,682	-	-	-
Borrowings (principal and finance costs)	579,464	383,551	800,590	1,257,212
Lease liabilities	2,965	2,965	3,076	-
Derivative financial liabilities	33,544	4,184	-	-
Amount due to ultimate holding company	2,007	-	-	-
Amounts due to other related companies	224	-	-	-
	976,886	390,700	803,666	1,257,212
Financial guarantee contracts	139,914	-	-	-
Company				
Trade and other payables	10,454	-	-	-
Borrowings (principal and finance costs)	82,985	-	-	-
Lease liabilities	2,468	2,468	2,468	-
Amounts due to subsidiaries (principal and finance costs)	212,384	46,073	138,600	1,023,037
Amount due to ultimate holding company	2,007	-	-	-
Amounts due to other related companies	224	-	-	-
	310,522	48,541	141,068	1,023,037
Financial guarantee contracts	1,000,000	-	-	-

(b) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to provide returns for shareholders and benefits for other stakeholders.

In order to optimise the capital structure, or the capital allocation amongst the Group's various businesses, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and warrants, buy back issued shares, take on new debts or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital utilisation on the basis of the gearing ratio. This ratio is calculated as total debts divided by total capital. Total debts is calculated as total borrowings (including "current and non-current borrowings") and lease liabilities as shown in the statements of financial position. Total capital is calculated as the sum of total equity and total debts.

The gearing ratio is as follows:

Group	2020	2019
Total debts	**2,602,832**	2,597,218
Total equity	**5,037,655**	5,059,593
Total capital	**7,640,487**	7,656,811
Gearing ratio	**34.1%**	33.9%

The Group was in compliance with externally imposed capital requirements as at the reporting date.

(c) Fair value measurement

The assets and liabilities carried at fair value are categorised into different levels of fair value hierarchy as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign currency exchange contracts is determined using forward exchange rates at the reporting date.
- The fair value of the commodity future contracts are determined using the forward prices of palm oil commodities.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Except for borrowings as disclosed in Note 39, the carrying values of financial assets and financial liabilities of the Group at the end of the reporting period approximated their fair values.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Fair value measurement (cont'd)

The following table presents the Group's financial instruments that are measured at fair value.

	Level 1	Level 2	Level 3	Total
2020				
Group				
Assets				
Financial assets at FVTPL	**-**	**600,260**	**3,381**	**603,641**
Derivative financial instruments:				
- Foreign exchange contracts	**-**	**4,181**	**-**	**4,181**
- Commodity future contracts	**-**	**19,145**	**-**	**19,145**
	-	**623,586**	**3,381**	**626,967**
Liabilities				
Derivative financial instruments:				
- Interest rate swap	**-**	**13,310**	**-**	**13,310**
- Commodity future contracts	**-**	**24,434**	**-**	**24,434**
	-	**37,744**	**-**	**37,744**
Company				
Assets				
Financial assets at FVTPL	**-**	**600,260**	**-**	**600,260**
2019				
Group				
Assets				
Financial assets at FVTPL	-	600,000	3,263	603,263
Derivative financial instruments:				
- Foreign exchange contracts	-	1,141	-	1,141
	-	601,141	3,263	604,404
Liabilities				
Derivative financial instruments:				
- Interest rate swap	-	7,739	-	7,739
- Commodity future contracts	-	29,989	-	29,989
	-	37,728	-	37,728
Company				
Assets				
Financial assets at FVTPL	-	600,000	-	600,000

There were no transfers between Level 1 and Level 2 during the current financial year.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The assessment of the fair value of unquoted securities is performed based on discounted cash flow analysis with key inputs such as growth rates and discount rates.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Fair value measurement (cont'd)

The following table presents the changes in Level 3 instruments for the financial year ended 31 December:

	Group	
	2020	2019
As at 1 January	**3,263**	3,073
Interest income	**226**	222
Foreign exchange differences	**(108)**	(32)
As at 31 December	**3,381**	3,263

Although the Group believes that its estimates of fair values are appropriate, the use of different methodologies or assumptions could lead to different measurement of fair value. For fair value measurement in Level 3, if the growth rate or discount rate changes by 1%, the impact to profit or loss or equity would not be significant.

5. SEGMENT ANALYSIS

Management has determined the operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions, resource allocation and performance assessment.

The chief operating decision-makers consider the Group's principal activities based on the nature of the products and services, specific expertise and technology requirements of individual reportable segments. The reportable segments are as follows:

(i) Plantation - upstream activities relating to oil palm plantations in Malaysia and Indonesia.

(ii) Property - activities relating to property development and property investment.

(iii) Biotechnology - activities relating to genomics research and development.

(iv) Downstream manufacturing - activities relating to manufacturing and sale of palm oil derivative products.

(v) Others - other insignificant business which are not reported separately.

The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("adjusted EBITDA"). This measurement basis excludes the effects of non-recurring items from the operating segments such as fair value gain and losses on financial assets, gain or loss on disposal of property, plant and equipment, net surplus arising from Government acquisition, assets written off, gain or loss on changes in shareholdings in joint venture and associates, impairment losses and reversal of previously recognised impairment losses.

Segments assets consist primarily of property, plant and equipment, land held for property development, investment properties, ROU assets, intangible assets, financial assets at FVOCI and FVTPL, property development costs, inventories, trade and other receivables and cash and cash equivalents. Segment assets exclude interest bearing instruments, joint ventures, associates, deferred tax assets, tax recoverable and assets classified as held for sale as these assets are managed on a group basis.

Segment liabilities comprise operating liabilities. Segment liabilities exclude interest bearing instruments, tax payables, deferred tax liabilities and liabilities classified as held for sale as these liabilities are managed on a group basis.

5. SEGMENT ANALYSIS (cont'd)

	Plantation	Property	Bio-technology	Downstream Manufacturing	Others	Elimination	Total
2020							
Group							
Revenue							
- External	915,273	94,368	2,367	1,486,160	-	-	2,498,168
- Inter segment	543,336	-	2,456	-	-	(545,792)	-
Total Revenue	1,458,609	94,368	4,823	1,486,160	-	(545,792)	2,498,168
Adjusted EBITDA	526,981	20,384	(6,277)	33,452	15,484	-	590,024
(Loss)/gain on disposal of property, plant and equipment	(34)	7	-	-	-	-	(27)
Net surplus arising from Government acquisition	7,044	-	-	-	-	-	7,044
Assets written off and others	(969)	-	(255)	(154)	260	-	(1,118)
	533,022	20,391	(6,532)	33,298	15,744	-	595,923
Depreciation and amortisation	(219,054)	(845)	(2,383)	(11,418)	-	-	(233,700)
Share of results in joint ventures	-	28,854	-	-	-	-	28,854
Share of results in associates	3,680	(40)	-	-	4	-	3,644
	317,648	48,360	(8,915)	21,880	15,748	-	394,721
Interest income							19,950
Finance cost							(91,462)
Profit before taxation							323,209
Taxation							(71,980)
Profit for the financial year							251,229
Other information:							
Assets							
Segment assets	5,964,880	455,734	28,897	460,774	600,451	-	7,510,736
Joint ventures	-	225,307	-	-	-	-	225,307
Associates	13,845	107	-	-	(172)	-	13,780
	5,978,725	681,148	28,897	460,774	600,279	-	7,749,823
Interest bearing instruments							628,759
Deferred tax assets							52,724
Tax recoverable							9,447
Total assets							8,440,753
Liabilities							
Segment liabilities	306,028	122,328	3,721	50,231	1,972	-	484,280
Interest bearing instruments							2,590,796
Deferred tax liabilities							321,839
Taxation							6,183
Total liabilities							3,403,098

5. SEGMENT ANALYSIS (cont'd)

	Plantation	Property	Bio-technology	Downstream Manufacturing	Others	Elimination	Total
2019							
Group							
Revenue							
- External	757,227	129,392	87	1,379,696	-	-	2,266,402
- Inter segment	511,332	-	248	-	-	(511,580)	-
Total Revenue	1,268,559	129,392	335	1,379,696	-	(511,580)	2,266,402
Adjusted EBITDA	336,884	37,887	(14,185)	58,428	14,022	-	433,036
Gain on disposal of assets	18	7	-	8	-	-	33
Net surplus arising from Government acquisition	4,825	1,420	-	-	-	-	6,245
Assets written off and others	(1,146)	(1)	40	(90)	-	-	(1,197)
	340,581	39,313	(14,145)	58,346	14,022	-	438,117
Depreciation and amortisation	(216,278)	(877)	(2,338)	(11,086)	-	-	(230,579)
Share of results in joint ventures	-	47,644	-	-	-	-	47,644
Share of results in associates	2,305	(43)	-	-	(20)	-	2,242
	126,608	86,037	(16,483)	47,260	14,002	-	257,424
Interest income							32,161
Finance cost							(104,120)
Profit before taxation							185,465
Taxation							(55,046)
Profit for the financial year							130,419
Other information:							
Assets							
Segment assets	5,701,590	451,904	28,633	529,695	600,244	-	7,312,066
Joint ventures	-	196,453	-	-	-	-	196,453
Associates	10,165	147	-	-	(176)	-	10,136
	5,711,755	648,504	28,633	529,695	600,068	-	7,518,655
Interest bearing instruments							849,635
Deferred tax assets							78,965
Tax recoverable							11,156
Assets classified as held for sale							1,789
Total assets							8,460,200
Liabilities							
Segment liabilities	290,812	123,805	3,175	52,116	2,248	-	472,156
Interest bearing instruments							2,588,966
Deferred tax liabilities							334,447
Taxation							5,038
Total liabilities							3,400,607

5. SEGMENT ANALYSIS (cont'd)

Geographical Information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-Current Assets	
	2020	2019	**2020**	2019
Malaysia	**1,841,843**	1,768,544	**1,611,459**	1,661,516
Indonesia	**656,325**	497,858	**3,921,201**	3,966,364
	2,498,168	2,266,402	**5,532,660**	5,627,880

Non-current assets exclude investments in joint ventures and associates, financial assets at FVOCI, financial assets at FVTPL, deferred tax assets and other non-current assets as presented in the consolidated statement of financial position.

6. REVENUE

Revenue of the Group and of the Company comprise the following:

	Group		Company	
	2020	2019	**2020**	2019
Revenue from contracts with customers:				
Sale of plantation products and produce	**1,455,742**	1,266,356	**95,835**	78,214
Sale of development properties	**91,680**	125,755	**-**	-
Sale of palm oil derivative products	**1,486,160**	1,379,696	**-**	-
Sale of genomics based products	**4,823**	335	**-**	-
Fee from management services	**3,860**	3,603	**33,420**	34,007
	3,042,265	2,775,745	**129,255**	112,221
Inter segment *(see Note 5)*	**(545,792)**	(511,580)	**-**	-
	2,496,473	2,264,165	**129,255**	112,221
Revenue from other sources:				
Lease income	**1,695**	2,237	**-**	-
Dividend income	**-**	-	**241,930**	125,090
	1,695	2,237	**241,930**	125,090
Total revenue	**2,498,168**	2,266,402	**371,185**	237,311
Timing of revenue from contracts with customers:				
- at a point in time	**2,456,822**	2,196,031	**95,835**	78,214
- over time	**39,651**	68,134	**33,420**	34,007
	2,496,473	2,264,165	**129,255**	112,221

7. COST OF SALES

	Group		Company	
	2020	2019	**2020**	2019
Cost of inventories sold for plantation products and produce	**1,038,085**	1,005,014	**49,981**	53,352
Cost of development properties sold	**67,552**	72,702	**-**	-
Cost of inventories sold for palm oil derivative products	**1,405,787**	1,281,202	**-**	-
	2,511,424	2,358,918	**49,981**	53,352
Inter segment	**(545,051)**	(511,332)	**-**	-
	1,966,373	1,847,586	**49,981**	53,352

8. OTHER GAINS/(LOSSES)

	Group 2020	Group 2019	Company 2020	Company 2019
Net foreign exchange gains/(losses)				
- realised	**(4,075)**	(2,380)	**1**	(1,820)
- unrealised	**1,649**	(1,993)	**1,768**	735
Net fair value gain on financial assets at FVTPL	**260**	-	**260**	-
	(2,166)	(4,373)	**2,029**	(1,085)

9. PROFIT BEFORE TAXATION

Profit before taxation has been determined after inclusion of the following charges and credits. The expenses by nature of the Group and of the Company are also disclosed in the charges below:

	Group 2020	Group 2019	Company 2020	Company 2019
Charges:				
Depreciation of property, plant and equipment	**222,864**	220,060	**21,626**	22,348
Depreciation of investment properties	**554**	630	**-**	-
Depreciation of ROU assets	**10,234**	9,889	**3,142**	3,266
Amortisation of intangible assets	**48**	-	**-**	-
Total Directors' remuneration:				
- current year *(see Note 11)*	**5,834**	5,687	**5,317**	5,222
- prior years	**(3,461)**	-	**(3,461)**	-
Charges payable to related companies:				
- Information technology consultancy, development, implementation, support and maintenance service	**2,437**	2,307	**1,958**	1,909
Property, plant and equipment written off	**1,378**	1,241	**203**	762
Loss/(gain) on disposal of property, plant and equipment	**27**	(33)	**(3)**	(8)
Impairment loss on investment in subsidiaries	**-**	-	**10,300**	18,870
Shared services fee payable to ultimate holding company	**1,415**	1,830	**780**	955
Write off of receivables	**19**	195	**10**	161
Impairment loss/(write back of impairment loss) on receivables	**133**	(28)	**-**	-
Write-down/(reversal of write-down) on land held for property development	**1,243**	(266)	**-**	-
Statutory audit fees:				
- Payable to PricewaterhouseCoopers PLT	**941**	931	**221**	195
- Payable to other member firms of PricewaterhouseCoopers International Limited	**1,445**	1,506	**-**	-
Audit related fees:				
- Payable to PricewaterhouseCoopers PLT	**132**	199	**132**	199
Non-audit fees and non-audit related costs[#]:				
- Payable to PricewaterhouseCoopers PLT	**48**	57	**10**	10
- Payable to other member firms of PricewaterhouseCoopers International Limited	**-**	19	**-**	-
Employee benefits expense *(see Note 10)*	**404,189**	407,614	**60,486**	75,649
Research and development expenditure	**13,768**	16,232	**-**	-
Repairs and maintenance:				
- property, plant and equipment	**25,319**	33,495	**3,964**	3,615
- investment properties	**44**	48	**-**	-
Transportation costs	**124,538**	149,663	**6,881**	8,432
Utilities	**21,058**	30,152	**76**	82
Raw materials and consumables	**970,474**	881,290	**-**	-
Oil palm cess and levy	**6,826**	3,115	**-**	-
Short term and low value lease expense	**499**	700	**-**	-

9. PROFIT BEFORE TAXATION (cont'd)

	Group 2020	Group 2019	Company 2020	Company 2019
Charges (cont'd):				
Finance costs:				
- bank borrowings	**42,697**	62,047	**319**	1,476
- Sukuk Murabahah	**34,181**	39,708	**-**	-
- loan from a subsidiary	**-**	-	**46,200**	46,200
- lease liabilities	**616**	454	**556**	408
- others	**13,968**	1,911	**-**	-
	91,462	104,120	**47,075**	48,084

 # Non-audit fees and non-audit related costs are in respect of financial advisory services.

	Group 2020	Group 2019	Company 2020	Company 2019
Credits:				
Net surplus arising from Government acquisition	**7,044**	6,245	**-**	-
Gain from disposal of assets classified as held for sale	**11,311**	-	**-**	-
Investment income	**14,993**	15,599	**14,993**	15,599
Dividend income from associates	**-**	-	**-**	1,750
Lease income:				
- external parties	**2,345**	2,724	**29**	69
- related companies	**118**	401	**50**	40
Bad debts recovered	**-**	1,776	**-**	-
Write back of impairment loss/(impairment loss) on amounts due from subsidiaries	**-**	-	**485**	(190)
Deferred income recognised for government grant	**33**	-	**-**	-
Income from subsidiaries:				
- Single-tier dividend	**-**	-	**241,930**	123,340
- Management fee	**-**	-	**33,420**	34,007
Interest income:				
- from external parties	**19,950**	32,161	**9,510**	23,033
- from a subsidiary	**-**	-	**22,590**	27,345
	19,950	32,161	**32,100**	50,378

10. EMPLOYEE BENEFITS EXPENSE

	Group 2020	Group 2019	Company 2020	Company 2019
Wages, salaries and bonuses	**294,181**	294,262	**49,906**	52,170
Defined contribution plans	**24,159**	23,145	**5,215**	5,782
Provision for/(write back of) retirement gratuities/benefits, net *(see Note 37)*	**5,234**	10,150	**(3,402)**	5,589
Other short term employee benefits	**80,615**	80,057	**8,767**	12,108
	404,189	407,614	**60,486**	75,649

Employee benefits expense, as shown above, includes the remuneration of Executive Directors.

11. DIRECTORS' REMUNERATION

	Group 2020	Group 2019	Company 2020	Company 2019
Non-Executive Directors				
Fees	**768**	784	**768**	784
Benefits-in-kind	**17**	15	**17**	15
	785	799	**785**	799
Executive Directors				
Fees	**285**	285	**285**	285
Salaries and bonuses	**4,015**	4,031	**3,498**	3,566
Defined contribution plans	**543**	553	**543**	553
Provision for retirement gratuities*	**189**	-	**189**	-
Other short term employee benefits	**-**	2	**-**	2
Benefits-in-kind	**17**	17	**17**	17
	5,049	4,888	**4,532**	4,423
Total Directors' remuneration *(see Note 9)*	**5,834**	5,687	**5,317**	5,222

* *The Directors' remuneration for the current and previous financial years has excluded an amount of RM3.5 million, being the overprovision of the retirement gratuities in 2019.*

12. TAXATION

	Group 2020	Group 2019	Company 2020	Company 2019
Current taxation charge:				
- Malaysian income tax charge	**65,358**	50,636	**3,048**	1,739
- Real property gains tax	**990**	-	**-**	-
- Foreign income tax charge	**1,153**	712	**-**	-
- Deferred tax charge/(reversal) *(see Note 26)*	**3,374**	1,796	**1,002**	(3,048)
	70,875	53,144	**4,050**	(1,309)
Prior years' taxation:				
- Income tax under/(over) provided	**1,105**	1,902	**(461)**	97
	71,980	55,046	**3,589**	(1,212)

The reconciliation between the average effective tax rate and the Malaysian tax rate is as follows:

	Group 2020 %	Group 2019 %	Company 2020 %	Company 2019 %
Malaysian tax rate	**24.0**	24.0	**24.0**	24.0
Tax effects of:				
- effects of changes in tax rates	**(10.8)**	-	**-**	-
- expenses not deductible for tax purposes	**6.0**	8.1	**2.7**	6.5
- income not subject to tax	**(1.7)**	(1.8)	**(25.0)**	(32.4)
- recognition of previously unrecognised tax losses and capital allowances	**-**	(3.7)	**-**	-
- unrecognised tax losses and capital allowances	**7.1**	9.8	**-**	-
- different tax regime	**(1.2)**	(1.4)	**-**	-
- under/(over) provision in prior years	**0.3**	1.0	**(0.2)**	0.1
- share of results in joint ventures and associates	**(2.4)**	(6.5)	**-**	-
- others	**1.0**	0.2	**-**	0.6
Average effective tax rate	**22.3**	29.7	**1.5**	(1.2)

The tax effect of the Group's other comprehensive income/(loss) item is RM10.4 million *(2019: RM47.8 million)* in the current financial year.

12. TAXATION (cont'd)

Following the issuance of regulation in lieu of law (Perpu) No. 1/2020 effective on 31 March 2020, corporate income tax rate in Indonesia has been reduced from 25% to 22% for financial year 2020 and 2021, and will be further reduced to 20% for financial year 2022 and onwards. Consequently, the relevant deferred tax balances have been remeasured taking into consideration the period when the deferred tax is expected to be realised for the subsidiaries in Indonesia.

13. EARNINGS PER SHARE

Earnings per share of the Group is calculated by dividing the profit for the financial year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue.

	Group	
	2020	2019
Basic and diluted earnings per share		
Profit for the financial year attributable to equity holders of the Company *(RM'000)*	**254,356**	142,074
Weighted average number of ordinary shares in issue *('000)*	**897,198**	854,840
Basic earnings per share *(sen)*	**28.35**	16.62

The Group has no dilutive potential ordinary shares and therefore the diluted earning per share is the same as the basic earning per share.

14. DIVIDENDS

	Group and Company			
	2020		2019	
	Single-tier dividend per share Sen	**Amount of single-tier dividend RM'000**	Single-tier dividend per share Sen	Amount of single-tier dividend RM'000
Final dividend paid in respect of previous year	**9.50**	**85,234**	8.25	74,019
Interim dividend paid in respect of current year	**6.00**	**53,831**	3.50	31,402
	15.50	**139,065**	11.75	105,421

A special single-tier dividend of 11.0 sen per ordinary share in respect of the current financial year has been declared for payment to shareholders registered in the Register of Members on 12 March 2021. Based on the total number of issued ordinary shares of the Company as at 31 December 2020, the special dividend would amount to RM98.7 million. The special dividend shall be paid on 30 March 2021. The special dividend has not been recognised in the Statement of Changes in Equity as it was declared subsequent to the financial year end.

At the forthcoming Annual General Meeting, a final single-tier dividend in respect of the financial year ended 31 December 2020 of 4.0 sen *(2019: 9.5 sen)* per ordinary share amounting to RM35.9 million *(2019: RM85.2 million)* will be proposed for shareholders' approval. Accordingly, the financial statements do not reflect this final dividend, which would only be accrued as a liability upon the approval by shareholders at the forthcoming Annual General Meeting.

15. PROPERTY, PLANT AND EQUIPMENT

	Freehold lands and improvements	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2020								
Group								
Net book value:								
At 1 January	536,461	440,840	395,398	25,973	25,442	2,771,309	170,126	4,365,549
Additions	41,680	4,127	17,545	5,002	8,354	168,276	72,703	317,687
Disposals	-	-	-	(282)	-	(4)	(64,000)	(64,286)
Written off	(36)	(233)	(1,020)	(15)	(29)	(45)	-	(1,378)
Depreciation charge for the financial year	(23,005)	(18,178)	(59,944)	(3,696)	(7,892)	(110,149)	-	(222,864)
Depreciation capitalised	(5,887)	(1,488)	(4,787)	(678)	(823)	13,663	-	-
Interest capitalised	-	-	-	-	-	28,296	-	28,296
Depreciation of ROU assets capitalised *(see Note 18)*	-	-	-	-	-	1,152	-	1,152
Reclassification from ROU assets *(see Note 18)*	345	-	449	-	-	-	-	794
Reclassified to trade and other receivables (plasma cooperatives)	-	-	(57)	-	-	(70,975)	-	(71,032)
Reclassifications	3,084	20,976	23,056	536	1,677	-	(49,329)	-
Foreign exchange differences	(6,999)	(7,752)	(5,521)	(581)	(352)	(62,919)	(2,212)	(86,336)
At 31 December	545,643	438,292	365,119	26,259	26,377	2,738,604	127,288	4,267,582
At 31 December 2020								
Cost	788,061	600,523	842,149	66,381	108,893	3,526,934	127,288	6,060,229
Accumulated depreciation	(242,418)	(162,231)	(477,030)	(40,122)	(82,516)	(788,330)	-	(1,792,647)
Net book value	545,643	438,292	365,119	26,259	26,377	2,738,604	127,288	4,267,582

15. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold lands and improvements	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2019								
Group								
Net book value:								
At 1 January	504,146	429,397	409,620	25,766	29,241	2,642,568	108,596	4,149,334
Additions	49,992	7,495	31,806	4,627	4,506	173,726	96,282	368,434
Disposals	(5)	-	-	(267)	(2)	-	-	(274)
Written off	(8)	(481)	(381)	(9)	(62)	(300)	-	(1,241)
Depreciation charge for the financial year	(20,728)	(17,514)	(60,584)	(3,723)	(9,158)	(108,353)	-	(220,060)
Depreciation capitalised	(5,434)	(1,296)	(4,508)	(926)	(1,196)	13,360	-	-
Interest capitalised	-	-	-	-	-	25,860	-	25,860
Depreciation of ROU assets capitalised *(see Note 18)*	-	-	-	-	-	1,005	-	1,005
Reclassified to trade and other receivables (plasma cooperatives)	-	-	-	-	-	(23,412)	-	(23,412)
Reclassifications	2,375	16,367	14,799	94	1,785	-	(35,420)	-
Foreign exchange differences	6,123	6,872	4,646	411	328	46,855	668	65,903
At 31 December	536,461	440,840	395,398	25,973	25,442	2,771,309	170,126	4,365,549
At 31 December 2019								
Cost	756,912	587,083	822,518	64,165	101,423	3,479,364	170,126	5,981,591
Accumulated depreciation	(220,451)	(146,243)	(427,120)	(38,192)	(75,981)	(708,055)	-	(1,616,042)
Net book value	536,461	440,840	395,398	25,973	25,442	2,771,309	170,126	4,365,549
At 1 January 2019								
Cost	693,344	556,049	773,886	59,271	95,017	3,260,447	108,596	5,546,610
Accumulated depreciation	(189,198)	(126,652)	(364,266)	(33,505)	(65,776)	(617,879)	-	(1,397,276)
Net book value	504,146	429,397	409,620	25,766	29,241	2,642,568	108,596	4,149,334

	Freehold lands and improvements	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2020								
Company								
Net book value:								
At 1 January	25,622	27,044	5,337	3,281	9,411	80,389	1,357	152,441
Additions	1,178	98	935	606	1,890	13,753	1,359	19,819
Disposals	-	(47)	-	(283)	(404)	-	-	(734)
Written off	-	(46)	(9)	(6)	(7)	(135)	-	(203)
Depreciation charge for the financial year	(1,489)	(1,028)	(1,281)	(558)	(3,857)	(13,413)	-	(21,626)
Depreciation capitalised	(483)	(255)	(366)	(28)	(46)	1,178	-	-
Depreciation of ROU assets capitalised *(see Note 18)*	-	-	-	-	-	353	-	353
Reclassification	-	237	202	-	1,234	-	(1,673)	-
At 31 December	24,828	26,003	4,818	3,012	8,221	82,125	1,043	150,050
At 31 December 2020								
Cost	42,314	36,646	23,644	6,784	43,188	287,252	1,043	440,871
Accumulated depreciation	(17,486)	(10,643)	(18,826)	(3,772)	(34,967)	(205,127)	-	(290,821)
Net book value	24,828	26,003	4,818	3,012	8,221	82,125	1,043	150,050

15. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold lands and improvements	Buildings and improvements	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Bearer plants	Construction in progress	Total
2019								
Company								
Net book value:								
At 1 January	25,753	26,631	5,909	4,006	11,240	82,202	800	156,541
Additions	1,755	110	1,423	6	1,834	11,161	2,602	18,891
Disposals	-	(28)	(1)	(30)	(105)	-	-	(164)
Written off	-	(30)	(25)	-	(33)	(674)	-	(762)
Depreciation charge for the financial year	(1,519)	(1,042)	(1,619)	(670)	(3,858)	(13,640)	-	(22,348)
Depreciation capitalised	(387)	(203)	(396)	(31)	(40)	1,057	-	-
Depreciation of ROU assets capitalised *(see Note 18)*	-	-	-	-	-	283	-	283
Reclassification	20	1,606	46	-	373	-	(2,045)	-
At 31 December	25,622	27,044	5,337	3,281	9,411	80,389	1,357	152,441
At 31 December 2019								
Cost	41,135	36,498	22,771	6,899	40,843	280,584	1,357	430,087
Accumulated depreciation	(15,513)	(9,454)	(17,434)	(3,618)	(31,432)	(200,195)	-	(277,646)
Net book value	25,622	27,044	5,337	3,281	9,411	80,389	1,357	152,441
At 1 January 2019								
Cost	39,360	34,874	22,192	7,072	39,138	276,578	800	420,014
Accumulated depreciation	(13,607)	(8,243)	(16,283)	(3,066)	(27,898)	(194,376)	-	(263,473)
Net book value	25,753	26,631	5,909	4,006	11,240	82,202	800	156,541

The carrying values of the freehold land of the Group and of the Company as at 31 December 2020 are RM142.6 million *(2019: RM142.6 million)* and RM1.6 million *(2019: RM1.6 million)* respectively.

The Group's property, plant and equipment with a carrying amount of approximately RM85.3 million *(2019: RM91.7 million)* have been pledged as collateral for borrowings as at 31 December 2020 *(see Note 39)*.

During the financial year, the Group has capitalised borrowing costs amounting to RM28.3 million *(2019: RM25.9 million)* on qualifying assets. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is based on the interest rate applicable to the Group's general borrowings during the financial year and ranges from 3.10% to 4.62% per annum *(2019: 4.62% to 4.96% per annum)*.

16. PROPERTY DEVELOPMENT ACTIVITIES

	Group			
		2020		2019
(a) Land held for property development:				
Freehold land		**65,071**		66,404
Leasehold land		**72,231**		72,231
Development costs		**109,022**		110,250
Accumulated write-down		**(6,548)**		(5,305)
		239,776		243,580
At the beginning of the financial year		**243,580**		246,594
Additions:				
- development costs		**2,778**		2,323
(Write-down)/reversal of write-down		**(1,243)**		266
Transferred to property development costs : *(see Note 16(b))*				
- freehold land	**(1,333)**		(1,317)	
- development costs	**(4,006)**	**(5,339)**	(4,286)	(5,603)
At the end of the financial year		**239,776**		243,580
(b) Property development costs:				
Freehold land		**3,375**		4,975
Development costs		**41,973**		85,700
Accumulated costs charged to profit or loss		**(24,294)**		(44,994)
		21,054		45,681
At the beginning of the financial year		**45,681**		44,833
Development costs incurred during the financial year		**29,781**		40,777
Development costs charged to profit or loss		**(19,958)**		(34,666)
Transferred from land held for property development *(see Note 16(a))*		**5,339**		5,603
Transferred to inventories		**(39,789)**		(10,866)
At the end of the financial year		**21,054**		45,681

17. INVESTMENT PROPERTIES

	Group 2020	2019
Net book value:		
At 1 January	**23,052**	24,484
Depreciation	**(554)**	(630)
Reclassified to assets classified as held for sale *(see Note 32)*	**-**	(802)
At 31 December	**22,498**	23,052

	Group 31.12.2020	31.12.2019	1.1.2019
Cost	**28,075**	28,075	32,752
Accumulated depreciation	**(5,577)**	(5,023)	(8,268)
Net book value at end of the financial year	**22,498**	23,052	24,484
Fair value at end of the financial year	**33,835**	33,835	38,235

The aggregate lease income and direct operating expenses arising from investment properties that generated lease income which were recognised during the financial year amounted to RM1.5 million and RM0.8 million *(2019: RM2.2 million and RM1.1 million)* respectively.

Fair values of the Group's investment properties at the end of financial year have been determined by independent professional valuers based on the market comparable approach that reflect the recent transaction prices for similar properties in size and type within the vicinity and are within Level 2 of the fair value hierarchy.

18. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) ROU assets

	Leasehold lands	Office space	Total
Group			
2020			
Net book value:			
At 1 January	**955,230**	**7,911**	**963,141**
Additions	**16,849**	**6,142**	**22,991**
Depreciation charged to profit or loss	**(7,681)**	**(2,553)**	**(10,234)**
Depreciation capitalised under property, plant and equipment *(see Note 15)*	**(1,152)**	**-**	**(1,152)**
Reclassification to property, plant and equipment *(see Note 15)*	**(794)**	**-**	**(794)**
Foreign exchange differences	**(9,876)**	**(7)**	**(9,883)**
At 31 December	**952,576**	**11,493**	**964,069**
2019			
Net book value:			
At 1 January	934,719	9,335	944,054
Additions	22,490	1,062	23,552
Depreciation charged to profit or loss	(7,403)	(2,486)	(9,889)
Depreciation capitalised under property, plant and equipment *(see Note 15)*	(1,005)	-	(1,005)
Disposal	(21)	-	(21)
Reclassified to assets classified as held for sale *(see Note 32)*	(987)	-	(987)
Foreign exchange differences	7,437	-	7,437
At 31 December	955,230	7,911	963,141

18. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)

(a) ROU assets (cont'd)

	Leasehold lands	Office space	Total
Company			
2020			
Net book value:			
At 1 January	**147,513**	**6,464**	**153,977**
Additions	**54**	**6,142**	**6,196**
Depreciation charged to profit or loss	**(1,041)**	**(2,101)**	**(3,142)**
Depreciation capitalised under property, plant and equipment *(see Note 15)*	**(353)**	**-**	**(353)**
At 31 December	**146,173**	**10,505**	**156,678**
2019			
Net book value:			
At 1 January	148,887	8,619	157,506
Additions	20	-	20
Depreciation charged to profit or loss	(1,111)	(2,155)	(3,266)
Depreciation capitalised under property, plant and equipment *(see Note 15)*	(283)	-	(283)
At 31 December	147,513	6,464	153,977

Leasehold lands of certain subsidiaries with an aggregate carrying value of RM419.5 million *(2019: RM412.0 million)* are pledged as securities for borrowings *(see Note 39)*.

The Group holds land rights in Indonesia in the form of Hak Guna Usaha ("HGU"), which give the rights to cultivate land for agricultural purposes with expiry dates between 2037 and 2054. The Group also holds other rights relating to certain plots of land in Indonesia and the Group is at various stages of the application process in converting such rights to HGU.

The Group also leases various offices where the rental contracts are typically entered into for fixed periods ranging between 3 to 6 years, but may include extension options.

Lease and terms on the rental contracts are negotiated on an individual basis and contain a wide range of different terms and conditions. These rental contracts do not impose any covenants.

18. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (cont'd)

(b) Lease liabilities

	Group		Company	
	2020	2019	**2020**	2019
Non-current				
Lease liabilities	**9,748**	5,847	**8,997**	4,613
Current				
Lease liabilities	**2,288**	2,405	**2,001**	2,155
Total lease liabilities	**12,036**	8,252	**10,998**	6,768

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the Group measures the lease liabilities by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment as a result of lease modifications.

The maturity analysis of the lease liabilities as at the reporting date is disclosed in Note 4(a)(v).

Total cash outflow for the leases in the financial year ended 31 December 2020 for the Group and for the Company amounted to RM3.5 million *(2019: RM3.6 million)* and RM2.5 million *(2019: RM2.5 million)* respectively.

(c) Leases as lessor

The Group and the Company lease certain property, plant and equipment, investment properties and ROU assets to related and non-related parties. The Group and the Company have classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The following table sets out the maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group		Company	
	2020	2019	**2020**	2019
Less than 1 year	**2,374**	2,400	**43**	40
Between 1 and 2 years	**1,441**	1,458	**-**	40
Between 2 and 3 years	**458**	651	**-**	-
Between 3 and 4 years	**240**	-	**-**	-
Between 4 and 5 years	**200**	-	**-**	-
Total undiscounted lease payments to be received	**4,713**	4,509	**43**	80

19. INTANGIBLE ASSETS

	Goodwill	Licencing fee	Patents	Total
2020				
Group				
Net book value:				
At 1 January	**25,474**	**7,084**	**-**	**32,558**
Addition	**-**	**6,919**	**63**	**6,982**
Amortisation	**-**	**-**	**(48)**	**(48)**
Foreign exchange differences	**(757)**	**-**	**-**	**(757)**
At 31 December	**24,717**	**14,003**	**15**	**38,735**
At 31 December 2020				
Cost	**24,717**	**14,003**	**63**	**38,783**
Accumulated amortisation	**-**	**-**	**(48)**	**(48)**
Net book value	**24,717**	**14,003**	**15**	**38,735**
2019				
Net book value:				
At 1 January	25,748	7,084	-	32,832
Foreign exchange differences	(274)	-	-	(274)
At 31 December	25,474	7,084	-	32,558
At 31 December 2019				
Cost/Net book value	25,474	7,084	-	32,558
At 1 January 2019				
Cost/Net book value	25,748	7,084	-	32,832

Goodwill arose due to the Group's acquisition in AsianIndo Holdings Pte Ltd. The impairment test for goodwill was based on fair value less costs to sell model, benchmarking to the most recent transacted prices of plantation lands in Indonesia and are within Level 3 of the fair value hierarchy. There are no reasonably possible changes in any of the key assumptions used that would cause the recoverable amount to be materially lower than the carrying amounts of this CGU.

20. SUBSIDIARIES

	Company	
	2020	2019
Unquoted shares - at cost	**5,235,558**	4,855,319
Accumulated impairment losses	**(461,921)**	(451,621)
	4,773,637	4,403,698
Amounts due from subsidiaries:		
- Current	**135,884**	245,379
- Non-current *(see Note 25)*	**641,142**	593,388
Amounts due to subsidiaries:		
- Current	**163,702**	169,222
- Non-current	**1,000,000**	1,000,000

20. SUBSIDIARIES (cont'd)

Movements on the Company's impairment on investment in subsidiaries and amounts due from subsidiaries are as follows :

	Investment in subsidiaries		Amounts due from subsidiaries	
	2020	2019	**2020**	2019
At 1 January	**451,621**	432,751	**1,006**	816
Loss allowance during the financial year	**10,300**	18,870	**-**	190
Write back of impairment losses	**-**	-	**(485)**	-
At 31 December	**461,921**	451,621	**521**	1,006

The amounts due from and to subsidiaries classified as current assets and current liabilities respectively represent outstanding amounts arising from inter-company sales and purchases, advances, payments and receipts on behalf of or by subsidiaries. The outstanding amounts which are less than one year and classified as current assets and current liabilities respectively, are unsecured, repayable on demand and interest free. The amounts due from subsidiaries are neither past due nor impaired. Included in the amounts due from subsidiaries is a loan to a subsidiary amounting to RM489.0 million *(2019: RM489.0 million)* bearing a fixed interest rate of 4.62% *(2019: 4.62%)* per annum classified as non-current as at the reporting date as the loan is not expected to be repaid in the next twelve months from the reporting date.

The non-current amount due to a subsidiary represents the proceeds from the issuance of Sukuk Murabahah advanced to the Company by Benih Restu Berhad, a wholly owned subsidiary, and bears a fixed interest rate of 4.62% *(2019: 4.62%)* per annum.

During the financial year:

(i) the Company had subscribed for redeemable convertible non-cumulative preference shares issued by its wholly owned subsidiaries amounting to RM293.3 million *(2019: RM388.4 million)* which is settled via capitalisation of intercompany balances.

(ii) the Company had subscribed 15.0 billion ordinary shares in ACGT Sdn Bhd *(2019: 4.97 billion ordinary shares)* for a cash consideration of RM15.0 million *(2019: RM14.4 million)*. The subscription had increased the equity interest of the Company in ACGT Sdn Bhd from 99.7% to 99.9% and the accretion in shareholdings did not have any material impact to the results of the Group for the current financial year.

An impairment loss on investment in subsidiaries of RM10.3 million *(2019: RM18.9 million)* has been recognised in the current financial year as the timing and extent of the future economics benefits that can be derived from these subsidiaries remain uncertain.

The shares of the Company's indirect subsidiaries, PT GlobalIndo Agung Lestari and PT United Agro Indonesia are pledged as collateral for borrowings as disclosed in Note 39.

The subsidiaries are listed in Note 43 and the subsidiaries with material non-controlling interests are set out below:

Indonesia Subsidiaries

1. PalmIndo Holdings Pte Ltd
2. Sri Nangatayap Pte Ltd
3. Sanggau Holdings Pte Ltd
4. Sandai Maju Pte Ltd
5. Ketapang Agri Holdings Pte Ltd
6. Ketapang Holdings Pte Ltd
7. Borneo Palma Mulia Pte Ltd
8. Palma Citra Investama Pte Ltd
9. Cahaya Agro Abadi Pte Ltd
10. Palm Capital Investment Pte Ltd
11. PT Citra Sawit Cemerlang
12. PT Sawit Mitra Abadi
13. PT Sepanjang Intisurya Mulia
14. PT Surya Agro Palma
15. PT Agro Abadi Cemerlang
16. PT Palma Agro Lestari Jaya
17. PT Kharisma Inti Usaha
18. PT Dwie Warna Karya
19. PT Kapuas Maju Jaya
20. PT Susantri Permai
21. GlobalIndo Holdings Pte Ltd
22. Global Agri Investment Pte Ltd
23. Universal Agri Investment Pte Ltd
24. PT GlobalIndo Agung Lestari
25. PT United Agro Indonesia

20. SUBSIDIARIES (cont'd)

Malaysia Subsidiaries

1. Genting Biorefinery Sdn Bhd*
2. Genting MusimMas Refinery Sdn Bhd

* *Genting Biorefinery Sdn Bhd became a wholly-owned subsidiary of the Company subsequent to the completion of the unwinding of the share sale and purchase agreement with the non-controlling interest on 18 February 2020. The effect of this unwinding of the share sale and purchase agreement had resulted in a decrease of RM17.9 million in the equity of the Group for the financial year ended 31 December 2020, being the difference between the consideration of RM72.0 million and carrying amount of non-controlling interest acquired of RM54.1 million.*

The accumulated non-controlling interests of the above Malaysia and Indonesia subsidiaries as at 31 December 2020 are RM21.0 million *(2019: RM64.9 million)* and RM87.2 million *(2019: RM107.7 million)* respectively.

The profit or loss allocated to non-controlling interests of the above Malaysia and Indonesia subsidiaries are a profit of RM2.4 million *(2019: profit of RM5.3 million)* and a loss of RM8.3 million *(2019: loss of RM18.4 million)* respectively.

Set out below are the summarised financial information for subsidiaries with material non-controlling interests to the Group. The amounts disclosed are before inter-company eliminations:

	Indonesia Subsidiaries		**Malaysia Subsidiaries**	
	2020	2019	**2020**	2019
Summarised statement of financial position				
As at 31 December				
Current assets	**553,788**	451,102	**273,059**	275,679
Non-current assets	**2,742,951**	2,642,252	**104,282**	292,858
Current liabilities	**(1,389,268)**	(1,230,409)	**(213,660)**	(201,319)
Non-current liabilities	**(1,240,249)**	(1,044,764)	**(89,204)**	(100,974)
Net assets	**667,222**	818,181	**74,477**	266,244
Summarised statement of comprehensive income				
For the financial year ended 31 December				
Revenue for the financial year	**843,492**	714,166	**1,369,034**	1,292,148
Profit/(Loss) for the financial year	**(88,557)**	(38,898)	**8,634**	(16,618)
Total comprehensive income/(loss) for the financial year	**(150,959)**	(69,848)	**36,659**	(27,874)
Summarised cash flows				
For the financial year ended 31 December				
Cash flows generated from/(used in) operating activities	**109,198**	(49,898)	**14,793**	28,117
Cash flows (used in)/generated from investing activities	**(207,625)**	(280,306)	**984**	3,340
Cash flows generated from/(used in) financing activities	**234,040**	213,087	**32,925**	(34,932)
Net change in cash and cash equivalents	**135,613**	(117,117)	**48,702**	(3,475)
Dividend paid to non-controlling interests	**-**	-	**-**	-

21. JOINT VENTURES

	Group 2020	2019
Unquoted – at cost:		
Shares in a foreign corporation	**12,500**	12,500
Group's share of post acquisition reserves	**212,807**	183,953
	225,307	196,453
Amounts due from joint ventures:		
- Current	**2,639**	4,192
- Non-Current *(see Note 25)*	**-**	1,817

The joint ventures of the Group, as detailed in Note 43, comprise Simon Genting Limited, Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd.

The joint ventures are private companies and there is no quoted market price available for their shares.

The amounts due from joint ventures included in current assets are unsecured, interest free and are receivable within the next twelve months. The amount due from joint ventures, which was classified as non-current as at 31 December 2019, represented the balance of purchase price receivable arising from the sale of land to Genting Simon Sdn Bhd by Genting Property Sdn Bhd, a wholly-owned subsidiary of the Company. The amounts due from joint ventures are neither past due or impaired as at reporting date.

There are no contingent liabilities relating to the Group's interest in the joint ventures as at the reporting date *(2019: Nil)*.

Set out below are the summarised financial information for joint ventures which are accounted for using the equity method:

	Group 2020	2019
Summarised statement of financial position as at 31 December		
Current assets	**173,533**	135,716
Non-current assets	**433,376**	435,039
Current liabilities	**(46,824)**	(57,273)
Non-current liabilities	**(99,302)**	(110,407)
Net assets	**460,783**	403,075
Included in the statement of financial position are:		
Cash and cash equivalents	**151,143**	98,208
Non-current financial liabilities (excluding trade and other payables and provisions)	**(99,302)**	(110,407)
Summarised statements of profit or loss for the financial year ended 31 December		
Profit for the financial year	**57,708**	95,288
Other comprehensive income	**-**	-
Total comprehensive income	**57,708**	95,288
Included in the statements of profit or loss are:		
Revenue	**96,873**	143,385
Depreciation and amortisation	**(11,395)**	(9,603)
Interest income	**2,576**	1,373
Interest expense	**(4,746)**	(7,553)
Income tax expense	**(404)**	(326)

21. JOINT VENTURES (cont'd)

	Group 2020	Group 2019
Reconciliation of net assets to carrying amount:		
As at 31 December		
Group's share of net assets	**230,391**	201,537
Profit elimination on transaction with a joint venture	**(5,084)**	(5,084)
Carrying amount in the statement of financial position	**225,307**	196,453

22. ASSOCIATES

	Group		Company	
	2020	2019	**2020**	2019
Unquoted shares - at cost:	**1,872**	1,872	**1,872**	1,872
Group's share of post-acquisition reserves	**11,908**	8,264	**-**	-
Share of net assets	**13,780**	10,136	**1,872**	1,872
Amounts due from associates:				
- current	**191**	244	**191**	244

The associates are listed in Note 43.

The amounts due from associates represent outstanding amounts arising from trade transactions and advances and payments made on behalf of associates, are unsecured, interest free and repayable on demand. The amounts due from associates classified as current assets are neither past due nor impaired.

There are no contingent liabilities relating to the Group's interest in associates as at the reporting date *(2019: Nil)*.

The following table summarises, in aggregate, the financial information of all individually immaterial associates that are accounted for using the equity method:

	Group 2020	Group 2019
Share of profit for the financial year	**3,644**	2,242
Share of other comprehensive income	**-**	-
Share of total comprehensive income	**3,644**	2,242

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		Company	
	2020	2019	**2020**	2019
Debts security in a foreign corporation				
- unquoted	**3,381**	3,263	**-**	-
Income funds in Malaysian corporations				
- unquoted	**600,260**	600,000	**600,260**	600,000
At 31 December	**603,641**	603,263	**600,260**	600,000
Analysed as follows:				
Current	**600,260**	600,000	**600,260**	600,000
Non-current	**3,381**	3,263	**-**	-
	603,641	603,263	**600,260**	600,000

The debts security in a foreign corporation represents 8% Convertible Promissory Notes ("Notes") in Synthetic Genomics, Inc ("SGI"), a privately held company incorporated in the United States of America, specialising in developing and commercialising genomic-driven solution to address global sustainability challenges. The Notes is repayable upon maturity or convertible to equity share in SGI.

The income funds in Malaysia corporations are redeemable at the discretion of the Group and of the Company and the fair values are based on the fair values of the fund managers' statements at the reporting date.

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group	
	2020	2019
Equity investments in foreign corporations		
- unquoted	**-**	-

The equity investments in foreign corporations comprise mainly the 3.92% *(2019: 3.92%)* equity interest in SGI.

As at the end of the reporting period, the timing and extent of the receipt of the future economic benefits from the equity investment in foreign corporations remained uncertain and therefore there have been no changes on the fair value ascribed to these investments.

25. OTHER NON-CURRENT ASSETS

	Group		Company	
	2020	2019	**2020**	2019
Amounts due from plasma cooperatives *(see Note 29)*	**154,487**	34,682	**-**	-
Amounts due from subsidiaries *(see Note 20)*	**-**	-	**641,142**	593,388
Amounts due from a joint venture *(see Note 21)*	**-**	1,817	**-**	-
Amount due from related parties	**11,816**	12,250	**-**	-
Prepayments	**1,095**	1,563	**-**	-
	167,398	50,312	**641,142**	593,388
The maturity profile for the other non-current assets is as follows:				
More than one year and less than two years	**144,393**	33,097	**-**	-
More than two years and less than five years	**23,005**	17,215	**641,142**	593,388
	167,398	50,312	**641,142**	593,388

There are no non-current receivables that are past due but not impaired in the current financial year.

The maximum exposure to credit risk at the reporting date is the carrying amounts of each class of receivables mentioned above.

26. DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2020	2019	**2020**	2019
Subject to income tax:				
- Deferred tax assets	**52,724**	78,965	**-**	-
- Deferred tax liabilities	**(321,839)**	(334,447)	**(24,439)**	(23,437)
	(269,115)	(255,482)	**(24,439)**	(23,437)

	Group		Company	
	2020	2019	**2020**	2019
At 1 January	**(255,482)**	(206,804)	**(23,437)**	(26,485)
(Charged)/Credited to statements of profit or loss *(see Note 12)***:**				
- Property, plant and equipment	**33,954**	(18,029)	**(2,266)**	1,714
- Provision for retirement gratuities/benefits	**3,308**	1,915	**1,198**	1,341
- Land held for property development	**713**	579	**-**	-
- Lease liabilities	**47**	23	**45**	23
- Property development costs	**985**	(56)	**-**	-
- Inventories	**(2,473)**	(2,493)	**-**	-
- Produce growing on bearer plants	**(735)**	(1,081)	**(29)**	(11)
- Receivables	**(7,546)**	(5,343)	**-**	-
- Payables	**2,595**	1,575	**50**	(19)
- Tax losses	**(33,564)**	21,087	**-**	-
- Other temporary differences	**(658)**	27	**-**	-
	(3,374)	(1,796)	**(1,002)**	3,048
Recognised in other comprehensive income *(see Note 12)*	**(10,424)**	(47,844)	**-**	-
Foreign exchange differences	**165**	962	**-**	-
At 31 December	**(269,115)**	(255,482)	**(24,439)**	(23,437)

Included in the other comprehensive income is the related tax effects on foreign exchange differences on monetary items that form part of the Group's net investment in foreign operations. These amounts have been included as part of balances categorised as "Other temporary differences" in the deferred tax assets and deferred tax liabilities respectively.

Subject to income tax:

	Group 2020	Group 2019	Company 2020	Company 2019
i) Deferred tax assets (before offsetting)				
- Property, plant and equipment	**10,044**	10,386	**-**	-
- Provision for retirement gratuities/benefits	**10,703**	7,395	**5,446**	4,248
- Land held for property development	**7,533**	6,820	**-**	-
- Inventories	**3,477**	5,912	**-**	-
- Payables	**28,195**	25,600	**191**	141
- Lease liabilities	**120**	73	**118**	73
- Tax losses	**82,742**	116,306	**-**	-
- Other temporary differences	**5,174**	1,268	**-**	-
	147,988	173,760	**5,755**	4,462
Offsetting	**(95,264)**	(94,795)	**(5,755)**	(4,462)
Deferred tax assets (after offsetting)	**52,724**	78,965	**-**	-

26. DEFERRED TAXATION (cont'd)

	Group 2020	Group 2019	Company 2020	Company 2019
ii) Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	**(370,495)**	(404,958)	**(30,062)**	(27,796)
- Land held for property development	**(182)**	(182)	**-**	-
- Produce growing on bearer plants	**(2,539)**	(1,804)	**(132)**	(103)
- Property development costs	**(281)**	(1,266)	**-**	-
- Inventories	**(262)**	(224)	**-**	-
- Receivables	**(21,138)**	(13,592)	**-**	-
- Other temporary differences	**(22,206)**	(7,216)	**-**	-
	(417,103)	(429,242)	**(30,194)**	(27,899)
Offsetting	**95,264**	94,795	**5,755**	4,462
Deferred tax liabilities (after offsetting)	**(321,839)**	(334,447)	**(24,439)**	(23,437)

The deferred tax assets recognised on unutilised tax losses mainly relate to carried forward tax losses of subsidiaries in Indonesia, to the extent that the deferred tax assets will be recoverable based on the estimated future financial performance of the subsidiaries.

The amount of tax savings in respect of brought forward tax losses for which credit has been recognised by the Group during the financial year amounted to RM3.0 million *(2019: RM7.5 million)*.

The amounts of unutilised tax losses and deductible temporary differences for which no deferred tax asset has been recognised in the statements of financial position are as follows:

	Group 2020	Group 2019
Unutilised tax losses		
- Expiring not more than five years *(see Note (a) below)*	**212,139**	192,735
- Expiring between six and seven years *(see Note (a) below)*	**-**	86,632
- No expiry period *(see Note (b) below)*	**355,261**	348,538
	567,400	627,905
Unutilised capital allowances with no expiry period	**112,563**	124,502
	679,963	752,407

(a) Deferred tax assets on unutilised tax losses for certain subsidiaries have not been recognised as the realisation of the tax benefits accruing to these tax losses is not probable.

(b) Included in the amount of unutilised tax losses with no expiry period are unutilised tax losses of certain subsidiaries of the Group amounting to RM355.3 million *(2019: RM348.5 million)*. These subsidiaries are accredited with tax exemption for 10 years and the tax losses arising therefrom are not subject to the expiry limit.

27. INVENTORIES

	Group 2020	Group 2019	Company 2020	Company 2019
Plantation products and produce	**25,793**	32,784	**-**	-
Palm oil derivative products	**47,254**	120,080	**-**	-
Stores and spares	**40,566**	49,274	**2,351**	3,609
Raw materials and consumables	**4,951**	14,775	**-**	-
Completed development properties	**37,847**	36,931	**-**	-
	156,411	253,844	**2,351**	3,609

28. PRODUCE GROWING ON BEARER PLANTS

	Group 2020	Group 2019	Company 2020	Company 2019
At 1 January	**6,901**	3,828	**429**	382
Transferred to produce stocks	**(6,901)**	(3,828)	**(429)**	(382)
Changes in fair value	**8,168**	6,904	**550**	429
Foreign exchange differences	**75**	(3)	**-**	-
At 31 December	**8,243**	6,901	**550**	429

The fair value measurement of the produce growing on bearer plants is determined by using the market approach, which takes into consideration the market prices of fresh fruits bunches ("FFB"), adjusted for the estimated oil content of unharvested FFB, less harvesting, transport and other costs to sell and is categorised within Level 3 of the fair value hierarchy. A reasonable change in the key assumptions would not result in a material impact to the financial statements.

29. TRADE AND OTHER RECEIVABLES

	Group 2020	Group 2019	Company 2020	Company 2019
Current:				
(i) Trade receivables	**246,989**	161,672	**-**	12,577
Less: Loss allowance on trade receivables	**(448)**	(315)	**-**	-
	246,541	161,357	**-**	12,577
Deposits	**45,078**	45,533	**718**	751
Prepayments	**15,130**	15,046	**838**	1,157
Other receivables*	**346,298**	373,346	**41,413**	41,096
	653,047	595,282	**42,969**	55,581
(ii) Contract assets in relation to property development activities	**12,028**	17,868	**-**	-
	665,075	613,150	**42,969**	55,581

(i) Trade and other receivables

* *Included in other receivables and other non-current assets of the Group are advances for plasma schemes of RM298.4 million (2019: RM206.5 million) which are recoverable by the Group's subsidiaries in Indonesia. In accordance with the policy of the Government of the Republic of Indonesia ("Government"), nucleus companies involved in plantation developments are required to provide support to develop and cultivate palm oil lands for local communities as part of their social obligation which is known as "plasma" schemes.*

In line with this requirement, the Group's subsidiaries in Indonesia participate in several plasma cooperative programs for the development and cultivation of oil palm lands for the local communities. The Group's subsidiaries manage the plasma plantation activities and purchase the plantation produce arising therefrom at prices determined by the Government. Advances made by the Group's subsidiaries to the plasma schemes in the form of plantation development costs are recoverable either through bank loans obtained by the plasma cooperatives or direct repayments from the cooperatives when these plasma areas come to maturity. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances. The non-current amounts due from plasma cooperatives of RM154.5 million (2019: RM34.7 million) are disclosed in Note 25 to the financial statements.

Credit terms offered by the Group in respect of trade receivables range from 7 days to 45 days *(2019: 7 days to 45 days)* from the date of invoice.

The Group's trade receivables that are individually determined to be impaired as at the reporting date relate to property debtors that have defaulted on payment.

29. TRADE AND OTHER RECEIVABLES (cont'd)

(i) Trade and other receivables (cont'd)

Movements on the Group's loss allowance on trade receivables are as follows:

	Group 2020	Group 2019
At 1 January	**315**	343
Loss allowance on trade receivables	**141**	-
Write back of allowance	**(8)**	(28)
At 31 December	**448**	315

Other than as disclosed above, the remaining trade and other receivables balances are neither past due nor impaired. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables mentioned above.

(ii) Contract assets in relation to property development activities

	Group 2020	Group 2019
At 1 January	**17,868**	31,946
Property development revenue recognised	**35,791**	64,531
Less: Progress billings issued	**(41,631)**	(78,609)
At 31 December	**12,028**	17,868
Analysed as follows:		
- contract assets	**12,028**	17,868

The amount of unfulfilled performance obligation of RM23.1 million *(2019: RM36.0 million)* as at the reporting date will be recognised in the financial statements within the next three years.

30. HOLDING COMPANY AND OTHER RELATED COMPANIES

The Company's immediate and ultimate holding company is Genting Berhad, a company incorporated in Malaysia.

	Group 2020	Group 2019	Company 2020	Company 2019
Current:				
Amount due to ultimate holding company	**(1,520)**	(2,007)	**(1,520)**	(2,007)
Amounts due to other related companies	**(435)**	(224)	**(435)**	(224)
	(1,955)	(2,231)	**(1,955)**	(2,231)
Amounts due from other related companies	**-**	-	**461**	1,770
	(1,955)	(2,231)	**(1,494)**	(461)

The amounts due to ultimate holding company and other related companies and the amounts due from other related companies are unsecured, interest free and repayable on demand.

31. CASH AND CASH EQUIVALENTS

	Group		Company	
	2020	2019	**2020**	2019
Deposits with licensed banks	**64,432**	118,581	**29,416**	50,596
Cash and bank balances	**330,099**	105,458	**56,970**	36,291
	394,531	224,039	**86,386**	86,887
Money market instruments	**564,326**	731,054	**290,853**	561,244
	958,857	955,093	**377,239**	648,131
Less: Restricted cash	**(15,230)**	-	**-**	-
Cash and cash equivalents	**943,627**	955,093	**377,239**	648,131

The deposits of the Group and of the Company as at 31 December 2020 have maturity period of one month *(2019: one month)*. The money market instruments of the Group and of the Company as at 31 December 2020 have maturity periods ranging between overnight and one month *(2019: between overnight and one month)*. Bank balances of the Group and of the Company are held at call. The deposits with licensed banks and money market instruments bear interest at interest rates ranging from 1.79% to 3.32% *(2019: 3.12% to 3.60%)* per annum.

Included in deposits with licenced banks of the Group is an amount of RM13.2 million *(2019: RM39.3 million)* deposited by a subsidiary involved in property development activities into various Housing Development Accounts maintained pursuant to Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. This amount is available for use by the said subsidiary for the payment of property development expenditure.

Restricted cash in the current financial year relates to deposit pledged with a licenced bank that was secured against certain borrowings *(see Note 39)*.

32. ASSETS CLASSIFIED AS HELD FOR SALE

	Group	
	2020	2019
Investment properties *(see Note 17)*	**-**	802
ROU assets *(see Note 18)*	**-**	987
	-	1,789

A wholly-owned subsidiary of the Company had in the previous year entered into a sale and purchase agreement with a third party to dispose a parcel of industrial land and two industrial buildings. The disposal was completed during the financial year, resulting in a gain of RM11.3 million.

33. SHARE CAPITAL

	Group and Company			
	Number of shares		Share capital	
	2020	2019	**2020**	2019
Issued and fully-paid:				
Ordinary shares				
At 1 January				
- Ordinary shares with no par value	**897,358,230**	805,733,124	**1,724,016**	863,267
Issuance pursuant to conversion of warrants	**-**	91,625,106	**-**	860,749
At 31 December				
- Ordinary shares with no par value	**897,358,230**	897,358,230	**1,724,016**	1,724,016

The ordinary shares issued from the exercise of warrants in the previous financial year rank pari passu in all respects with the existing ordinary shares of the Company, except that they were not be entitled to any dividends, rights, allotments and/or other distributions for which the entitlement date was prior to the date of allotment of the new shares arising from the exercise of warrants.

34. TREASURY SHARES

At the Annual General Meeting of the Company held on 19 June 2020, the shareholders of the Company approved the renewal of the authority for the Company to purchase its own shares up to 10% of the issued and paid-up share capital of the Company.

The Company did not purchase its own shares in the current and previous financial year. The purchased shares are held as treasury shares in accordance with the requirements of Section 127(4) of the Companies Act 2016 in Malaysia. There are no cancellation, resale or reissuance of treasury shares during the financial year. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

As at 31 December 2020, of the total 897,358,230 *(2019: 897,358,230)* issued and fully paid ordinary shares, 160,000 shares are held as treasury shares by the Company. As at 31 December 2020, the number of outstanding ordinary shares in issue, after netting-off treasury shares against equity, is 897,198,230 *(2019: 897,198,230)* ordinary shares.

	Total shares purchased in units '000	**Total consideration paid RM'000**	**Average price* RM**
At 1 January/31 December 2020	160	1,372	8.58

** Average price includes stamp duty, brokerage and clearing fees.*

35. RESERVES

	Group		**Company**	
	2020	2019	**2020**	2019
Fair value reserve	**(84,586)**	(84,586)	**5**	5
Cash flow hedge reserve	**(22,896)**	(30,859)	**-**	-
Reserve on exchange differences	**(263,493)**	(200,980)	**-**	-
	(370,975)	(316,425)	**5**	5
Retained earnings	**3,563,257**	3,466,900	**3,926,790**	3,822,237
	3,192,282	3,150,475	**3,926,795**	3,822,242

36. TRADE AND OTHER PAYABLES

	Group		**Company**	
	2020	2019	**2020**	2019
Current:				
Trade payables	**96,856**	112,265	**2,469**	3,376
Accruals for property development expenditure	**89,161**	86,882	**-**	-
Deposits	**21,805**	5,276	**430**	399
Accrued expenses *(see note below)*	**165,400**	159,199	**18,637**	13,980
Retention monies	**13,392**	15,479	**9**	9
	386,614	379,101	**21,545**	17,764

Note:
Accruals included payroll expenses, plantation development expenses, taxes payable to government and accrued capital expenditure incurred.

37. PROVISIONS

	Group 2020	Group 2019	Company 2020	Company 2019
Retirement gratuities *(see (a) below)*	**17,152**	20,376	**14,299**	17,701
Retirement benefits *(see (b) below)*	**14,356**	10,775	**-**	-
	31,508	31,151	**14,299**	17,701

	Group 2020	Group 2019	Company 2020	Company 2019
(a) Retirement gratuities				
Non-current:				
At 1 January	**20,376**	14,856	**17,701**	12,112
Charge for the financial year	**1,556**	5,916	**1,078**	5,589
Overprovision in prior years	**(4,733)**	-	**(4,480)**	-
Payment made	**-**	(427)	**-**	-
Foreign exchange difference	**(47)**	31	**-**	-
At 31 December	**17,152**	20,376	**14,299**	17,701

(b) Retirement benefits

The subsidiaries in Indonesia operate an unfunded defined benefit plan for its eligible employees. The obligation under the defined benefit plan is determined based on the actuarial valuation carried out by an independent qualified actuary. The latest actuarial valuation of the plan in Indonesia was carried out on 31 December 2020.

The movements in the amounts recognised in the statements of financial position are as follows:

	Group 2020	Group 2019
At 1 January	**11,771**	9,374
Charged to profit or loss	**8,411**	4,234
Payment made	**(3,245)**	(2,160)
Actuarial differences	**1,743**	(760)
Foreign exchange differences	**(2,125)**	1,083
At 31 December	**16,555**	11,771

The amounts recognised in the statements of financial position are determined as follows:

	Group 2020	Group 2019
Present value of unfunded obligations:		
- current	**2,199**	996
- non-current	**14,356**	10,775
	16,555	11,771

The amounts recognised in the statements of profit or loss are as follows:

	Group 2020	Group 2019
Current service cost	**7,475**	2,819
Past service cost	**-**	552
Interest cost	**936**	863
	8,411	4,234

37. PROVISIONS (cont'd)

(b) Retirement benefits (cont'd)

The principal assumptions used in respect of the unfunded defined benefits plan are as follows:

	Group	
	2020	2019
Discount rate	**7.27% - 7.59%**	8.15% - 8.21%
Future salary increases	**5%**	5%

Based on the method used to derive the present value of a defined benefits obligation using the projected unit credit method, it is estimated that a 1% change in principal assumptions would not have a significant impact to the defined benefit obligation of the Group.

The weighted average duration of the defined benefit obligation is 20.43 years *(2019: 20.48 years)* for the Group.

38. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	Assets		Liabilities	
	Non-current	Current	Non-current	Current
Group				
2020				
Designated as cash flow hedge				
Interest rate swap	**-**	**-**	**(4,671)**	**(8,639)**
Forward foreign currency exchange contracts	**-**	**4,181**	**-**	**-**
Commodity future contracts	**-**	**19,145**	**-**	**(24,434)**
	-	**23,326**	**(4,671)**	**(33,073)**
2019				
Designated as cash flow hedge				
Interest rate swap	-	-	(4,184)	(3,555)
Forward foreign currency exchange contracts	-	1,141	-	-
Commodity future contracts	-	-	-	(29,989)
	-	1,141	(4,184)	(33,544)

As at the reporting date, the summary and maturity analysis of the outstanding derivative financial assets and liabilities of the Group are as follows:

(a) Interest Rate Swap

	Contract/Notional Value (RM'000)	Net Fair Value Asset/(Liability) (RM'000)
As at 31 December 2020		
Group		
USD	**401,700**	
- Less than 1 year		**(8,639)**
- 1 year to 2 years		**(2,223)**
- 2 years to 5 years		**(2,448)**
As at 31 December 2019		
Group		
USD	248,400	
- Less than 1 year		(3,555)
- 1 year to 2 years		(4,184)

38. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (cont'd)

(b) Forward Foreign Currency Exchange Contracts

	Contract/Notional Value (RM'000)	Net Fair Value Asset/(Liability) (RM'000)
As at 31 December 2020		
Group		
USD	**139,998**	
- Less than 1 year		**4,181**
As at 31 December 2019		
Group		
USD	94,939	
- Less than 1 year		1,141

(c) Commodity Future Contracts

	Contract/Notional Value (RM'000)	Net Fair Value Asset/(Liability) (RM'000)
As at 31 December 2020		
Group		
RM	**394,022**	
- Less than 1 year		**(5,289)**
As at 31 December 2019		
Group		
RM	203,961	
- Less than 1 year		(29,989)

These interest rate swap, forward foreign currency exchange contracts and commodity future contracts are accounted using the hedge accounting method. The changes in fair value of these contracts are included in hedging reserves in equity and are recognised in profit or loss when the underlying hedged items are recognised.

The fair values of the above instruments have been estimated using the published market prices or quotes from reputable financial institutions or valuation techniques supported by observable market data and are within Level 2 of the fair value hierarchy. The Group had no significant concentration of credit risk as at 31 December 2020.

39. BORROWINGS

	Group 2020	Group 2019	Company 2020	Company 2019
Current				
Secured:				
Term loans	**154,857**	295,235	**-**	-
Unsecured:				
Revolving credits	**-**	89,943	**-**	82,913
Trade financing	**145,782**	96,883	**-**	-
Sukuk Murabahah	**3,038**	3,418	**-**	-
	303,677	485,479	**-**	82,913
Non-current				
Secured:				
Term loans	**1,288,491**	1,105,169	**-**	-
Unsecured:				
Sukuk Murabahah	**998,628**	998,318	**-**	-
	2,287,119	2,103,487	**-**	-
	2,590,796	2,588,966	**-**	82,913

a) **Contractual terms of borrowings**

	Contractual interest/ profit rate (per annum)	Total carrying amount	Maturity Profile < 1 year	1 - 2 years	2 - 5 years	> 5 years
At 31 December 2020						
Group						
Secured						
Term loans	2.68% - 4.53%	**1,443,348**	**154,857**	**167,177**	**858,332**	**262,982**
Unsecured						
Trade financing	3.15% - 4.69%	**145,782**	**145,782**	**-**	**-**	**-**
Sukuk Murabahah	4.62%	**1,001,666**	**3,038**	**-**	**998,628**	**-**
		2,590,796	**303,677**	**167,177**	**1,856,960**	**262,982**
Group						
At 31 December 2019						
Secured						
Term loans	3.75% - 5.24%	1,400,404	295,235	288,595	582,126	234,448
Unsecured						
Revolving credits	2.59% - 4.78%	89,943	89,943	-	-	-
Trade financing	3.38% - 4.96%	96,883	96,883	-	-	-
Sukuk Murabahah	4.62%	1,001,736	3,418	-	-	998,318
		2,588,966	485,479	288,595	582,126	1,232,766
Company						
Unsecured						
Revolving credits	2.59% - 3.30%	82,913	82,913	-	-	-

39. BORROWINGS (cont'd)

a) Contractual terms of borrowings (cont'd)

The term loans are secured over the land and refinery in Lahad Datu, Sabah, plantation lands and shares of certain subsidiaries in Indonesia and restricted cash of a subsidiary in Singapore as disclosed in Notes 15, 18, 20 and 31 respectively. Certain term loan also includes financial covenants which require GlobalIndo Holdings Pte Ltd and its subsidiaries to maintain consolidated tangible net worth of at least USD30 million and a debt service coverage ratio of 1.15x.

Fair values of the borrowings as at 31 December 2020 was RM2,669.3 million *(2019: RM2,638.5 million)*. Fair values of the borrowings have been estimated from the perspective of market participants that hold similar borrowings at the reporting date and are within level 2 of the fair value hierarchy.

b) Undrawn committed borrowing facilities

	Group	
	2020	2019
Floating rate:		
- expiring more than two years and not more than five years	**42,179**	85,194

The facilities have been arranged to finance the expansion of the Group's plantation activities in Indonesia.

40. DEFERRED INCOME

	Group	
	2020	2019
Non-current		
Government grants		
At 1 January	**13,693**	13,642
Addition	**763**	51
Credited to profit or loss	**(33)**	-
At 31 December	**14,423**	13,693

The government grants as at the reporting date relate to:

(i) the construction of a metathesis plant by a subsidiary. The government grant is to be recognised in profit or loss over the useful lives of the assets when the assets are commissioned.

(ii) the construction of a specific project by a subsidiary which was completed during the financial year and the government grant was received in the same financial year. Consequently, the government grant will be credited to profit or loss over the useful life of the asset.

41. CAPITAL COMMITMENTS

	Group		Company	
	2020	2019	**2020**	2019
Authorised capital expenditure not provided for in the financial statements:				
- contracted	**88,650**	101,897	**2,252**	1,916
- not contracted	**1,563,620**	1,502,021	**33,855**	30,448
	1,652,270	1,603,918	**36,107**	32,364
Analysed as follows:				
- Property, plant and equipment	**1,580,567**	1,519,255	**36,107**	32,364
- ROU assets	**71,598**	71,031	**-**	-
- Intangible assets	**105**	13,632	**-**	-
	1,652,270	1,603,918	**36,107**	32,364

42. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

In the normal course of business, the Group and the Company undertake on agreed terms and prices, transactions with its related companies and other related parties.

In addition to related party transactions mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions listed below were carried out on terms and conditions negotiated and agreed between the parties:

	Group		Company	
	2020	2019	**2020**	2019
a) Transactions with immediate and ultimate holding company				
Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad ("GENT").	**1,415**	1,830	**780**	955
b) Transactions with subsidiaries				
i) Fees receivable from subsidiaries for the provision of management services.	**-**	-	**33,420**	34,007
ii) Dividend income from subsidiaries.	**-**	-	**241,930**	123,340
iii) Sales of fresh fruits bunches to a subsidiary.	**-**	-	**95,835**	78,214
iv) Purchase of genomics based products from subsidiaries	**-**	-	**415**	102
c) Transaction with associate and joint ventures				
i) Provision of management services to Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd, joint ventures of the Group, by Genting Awanpura Sdn Bhd, a wholly-owned subsidiary of the Company.	**868**	1,360	**-**	-
d) Transactions with other related parties				
i) Provision of information technology consultancy, development, implementation, support and maintenance service by Genting Malaysia Berhad ("GENM"), a company which is 49.45% owned by GENT.	**2,437**	2,534	**1,958**	2,136
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd, a wholly-owned subsidiary of GENM, a company which is 49.45% owned by GENT.	**2,245**	2,535	**1,909**	2,167
iii) Purchase of air-tickets, hotel accommodation and other related services from GENM, a company which is 49.45% owned by GENT.	**13**	815	**13**	815
iv) Sale of refined palm oil products to Inter-Continental Oils & Fats Pte Ltd, a wholly-owned subsidiary of Musim Mas Holdings Pte Ltd, the holding company of Musim Mas International (South Asia) Pte Ltd, which in turn holds 28% equity interest in Genting MusimMas Refinery Sdn Bhd.	**644,746**	555,914	**-**	-

42. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (cont'd)

	Group 2020	Group 2019	Company 2020	Company 2019
d) Transactions with other related parties (con't)				
v) Sale of fresh fruit bunches by PT Agro Abadi Cemerlang ("PT AAC") to Sepanjang Group, which vide PalmIndo Holdings Pte Ltd and PT Bintang Harapan Desa, holds an effective 30% equity interest in PT AAC.	**11,483**	5,227	**-**	-
vi) Sale of fresh fruit bunches by PT Surya Agro Palma ("PT SAP") to Sepanjang Group, which vide PalmIndo Holdings Pte Ltd and PT Bintang Harapan Desa, holds an effective 30% equity interest in PT SAP.	**4,061**	-	**-**	-
vii) Provision of sequencing and bioinformatic services by Genting Laboratory Services Sdn Bhd, an indirect subsidiary GENT.	**-**	43	**-**	-
e) Transactions between related parties which are subsidiaries of the immediate and ultimate holding company and joint ventures				
i) Royalty fee charged by Genting Intellectual Property Sdn Bhd and Genting Intellectual Property Pte Ltd, both are subsidiaries of GENT, to Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd, both are joint ventures of the Group.	**862**	1,323	**-**	-
ii) Provision of electricity services by Genting Utilities & Services Sdn Bhd, a subsidiary of GENM, to Genting Highlands Premium Outlets Sdn Bhd, a joint venture of the Group.	**822**	1,120	**-**	-
f) Directors and key management personnel				
The remuneration of Directors and other key management personnel is as follows:				
Fees, salaries and bonuses	**9,620**	10,026	**7,024**	8,100
Defined contribution plans	**1,151**	1,285	**914**	1,073
Provision for retirement gratuities*	**390**	-	**390**	-
Other short term employee benefits	**24**	25	**-**	6
Benefits-in-kind	**459**	226	**95**	113
	11,644	11,562	**8,423**	9,292

* *The remuneration of Directors and other key management personnel for the current and previous financial years has excluded an amount of RM3.5 million, being the overprovision of the retirement gratuities in 2019.*

Key management personnel comprise senior management personnel of the Group, having the authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

g) The significant outstanding balances with subsidiaries, joint ventures, associates and other related parties are shown in Notes 20, 21, 22, 25 and 30 respectively.

43. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

		Effective Percentage of Ownership 2020	2019	Country of Incorporation	Principal Activities
	Direct Subsidiaries				
	ACGT Sdn Bhd	**99.9**	99.7	Malaysia	Genomics research and development and providing plant screening services
	Asiaticom Sdn Bhd	**100.0**	100.0	Malaysia	Oil palm plantation
	Aura Empire Sdn Bhd	**100.0**	100.0	Malaysia	Provision of property management services
#	Azzon Limited	**100.0**	100.0	Isle of Man	Investment holding
	Benih Restu Berhad	**100.0**	100.0	Malaysia	Issuance of debt securities under Sukuk programme
	Esprit Icon Sdn Bhd	**100.0**	100.0	Malaysia	Property development and property investment
	GENP Services Sdn Bhd	**100.0**	100.0	Malaysia	Provision of management services
	Genting AgTech Sdn Bhd	**100.0**	100.0	Malaysia	Research and development and production of superior oil palm planting materials
	Genting Biodiesel Sdn Bhd	**100.0**	100.0	Malaysia	Manufacture and sale of biodiesel
	Genting Biorefinery Sdn Bhd	**100.0**	75.0	Malaysia	Manufacture and sale of downstream palm oil derivatives
#	Genting Bioscience Limited	**100.0**	100.0	Isle of Man	Investment holding
	Genting Biotech Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
	Genting Land Sdn Bhd	**100.0**	100.0	Malaysia	Property investment
	Genting Oil Mill Sdn Bhd	**100.0**	100.0	Malaysia	Processing of fresh fruit bunches
	Genting Plantations (WM) Sdn Bhd	**100.0**	100.0	Malaysia	Oil palm plantation
	Genting Property Sdn Bhd	**100.0**	100.0	Malaysia	Property development
	Genting SDC Sdn Bhd	**100.0**	100.0	Malaysia	Oil palm plantation and processing of fresh fruit bunches
	Genting Tanjung Bahagia Sdn Bhd	**100.0**	100.0	Malaysia	Oil palm plantation
#	GP Overseas Limited	**100.0**	100.0	Isle of Man	Investment holding
	GProperty Construction Sdn Bhd	**100.0**	100.0	Malaysia	Provision of project management services
	Landworthy Sdn Bhd	**84.0**	84.0	Malaysia	Oil palm plantation
	Mediglove Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
	Orbit Crescent Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
	Palma Ketara Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
	PalmIndo Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
	Sunyield Success Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
	Technimode Enterprises Sdn Bhd	**100.0**	100.0	Malaysia	Dormant

43. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (cont'd)

		Effective Percentage of Ownership 2020	2019	Country of Incorporation	Principal Activities
	Direct Subsidiaries (cont'd)				
	Genting Commodities Trading Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Genting Vegetable Oils Refinery Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Glugor Development Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
#	Grosmont Limited	**100.0**	100.0	Isle of Man	Dormant
	Hijauan Cergas Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Kenyalang Borneo Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Kinavest Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Larisan Prima Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Profile Rhythm Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Unique Upstream Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Zillionpoint Project Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Zillionpoint Vision Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Indirect Subsidiaries				
#	ACGT Intellectual Limited	**99.9**	99.7	British Virgin Islands	Genomics research and development
+	Asian Palm Oil Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	AsianIndo Agri Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	AsianIndo Holdings Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	AsianIndo Palm Oil Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	Borneo Palma Mulia Pte Ltd	**73.7**	73.7	Singapore	Investment holding
+	Cahaya Agro Abadi Pte Ltd	**73.7**	73.7	Singapore	Investment holding
#	Degan Limited	**99.9**	99.7	Isle of Man	Investment holding
#	GBD Holdings Limited	**100.0**	100.0	Cayman Islands	Investment holding
	Genting Awanpura Sdn Bhd	**100.0**	100.0	Malaysia	Provision of technical and management services
	Genting Indahpura Development Sdn Bhd	**100.0**	100.0	Malaysia	Property development
	Genting Indonesia Property Development Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
	Genting MusimMas Refinery Sdn Bhd	**72.0**	72.0	Malaysia	Refining and selling of palm oil products
+	Global Agri Investment Pte Ltd	**63.2**	63.2	Singapore	Investment holding
+	GlobalIndo Holdings Pte Ltd	**63.2**	63.2	Singapore	Investment holding
+	Kara Palm Oil Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	Ketapang Agri Holdings Pte Ltd	**73.7**	73.7	Singapore	Investment holding
+	Knowledge One Investment Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	Palm Capital Investment Pte Ltd	**73.7**	73.7	Singapore	Investment holding

43. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (cont'd)

		Effective Percentage of Ownership 2020	2019	Country of Incorporation	Principal Activities
	Indirect Subsidiaries (cont'd)				
+	Palma Citra Investama Pte Ltd	**73.7**	73.7	Singapore	Investment holding
+	PalmIndo Holdings Pte Ltd	**73.7**	73.7	Singapore	Investment holding
+	Property Indonesia Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	Property Indonesia Holdings Pte Ltd	**100.0**	100.0	Singapore	Investment holding
+	PT Agro Abadi Cemerlang	**70.0**	70.0	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Citra Sawit Cemerlang	**70.0**	70.0	Indonesia	Oil palm plantation
+	PT Dwie Warna Karya	**95.0**	95.0	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Genting Plantations Nusantara	**100.0**	100.0	Indonesia	Provision of management services
#	PT Genting Properti Nusantara	**100.0**	100.0	Indonesia	Property development and property investment
+	PT GlobalIndo Agung Lestari	**60.0**	60.0	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Kapuas Maju Jaya	**95.0**	95.0	Indonesia	Oil palm plantation
+	PT Kharisma Inti Usaha	**85.0**	85.0	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Palma Agro Lestari Jaya	**70.0**	70.0	Indonesia	Oil palm plantation
+	PT Sawit Mitra Abadi	**70.0**	70.0	Indonesia	Oil palm plantation
+	PT Sepanjang Intisurya Mulia	**70.0**	70.0	Indonesia	Oil palm plantation and processing of fresh fruit bunches
+	PT Surya Agro Palma	**70.0**	70.0	Indonesia	Oil palm plantation
+	PT Susantri Permai	**95.0**	95.0	Indonesia	Oil palm plantation
+	PT United Agro Indonesia	**60.0**	60.0	Indonesia	Oil palm plantation
+	Sandai Maju Pte Ltd	**73.7**	73.7	Singapore	Investment holding
+	Sanggau Holdings Pte Ltd	**73.7**	73.7	Singapore	Investment holding
	Sawit Sukau Usahasama Sdn Bhd	**55.9**	55.9	Malaysia	Oil palm plantation
	Setiamas Sdn Bhd	**100.0**	100.0	Malaysia	Oil palm plantation and property development
	SPC Biodiesel Sdn Bhd	**100.0**	100.0	Malaysia	Manufacture and sale of biodiesel
+	Sri Nangatayap Pte Ltd	**73.7**	73.7	Singapore	Investment holding
	Trushidup Plantations Sdn Bhd	**100.0**	100.0	Malaysia	Investment holding
+	Universal Agri Investment Pte Ltd	**63.2**	63.2	Singapore	Investment holding
	Wawasan Land Progress Sdn Bhd	**100.0**	100.0	Malaysia	Oil palm plantation

43. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (cont'd)

		Effective Percentage of Ownership 2020	2019	Country of Incorporation	Principal Activities
	Indirect Subsidiaries (cont'd)				
	Cengkeh Emas Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Dianti Plantations Sdn Bhd	**100.0**	100.0	Malaysia	Dormant
	Genting Oil Mills (Sabah) Sdn Bhd *(formerly known as Global Bio-Diesel Sdn Bhd)*	**100.0**	100.0	Malaysia	Dormant
#	ACGT Global Pte Ltd	**100.0**	100.0	Singapore	Pre-operating
#	GP Equities Pte Ltd	**100.0**	100.0	Singapore	Pre-operating
#	Ketapang Holdings Pte Ltd	**73.7**	73.7	Singapore	Pre-operating
#	Sri Kenyalang Pte Ltd	**100.0**	100.0	Singapore	Pre-operating
	Full East Enterprise Limited	**-**	100.0	Hong Kong, SAR	Deregistered
	Genting AgTech Singapore Pte Ltd	**-**	100.0	Singapore	Struck-off
	Joint Ventures				
	Genting Highlands Premium Outlets Sdn Bhd	**50.0**	50.0	Malaysia	Development, ownership and management of outlet shopping centres
	Genting Simon Sdn Bhd	**50.0**	50.0	Malaysia	Development, ownership and management of outlet shopping centres
#	Simon Genting Limited	**50.0**	50.0	Isle of Man	Investment holding
	Associates				
	Asiatic Ceramics Sdn Bhd *(In Liquidation)*	**49.0**	49.0	Malaysia	In liquidation
*	Serian Palm Oil Mill Sdn Bhd	**35.0**	35.0	Malaysia	Processing of fresh fruit bunches
	Setiacahaya Sdn Bhd	**50.0**	50.0	Malaysia	Property investment
*	Sri Gading Land Sdn Bhd	**49.0**	49.0	Malaysia	Dormant

Legend:

* *The financial statements of these companies are audited by firms other than member firms of PricewaterhouseCoopers International Limited.*

\+ *These entities are audited by member firms of PricewaterhouseCoopers International Limited, which are separate and independent legal entities from PricewaterhouseCoopers PLT, Malaysia.*

\# *These entities are either exempted or have no statutory audit requirement.*

STATEMENT ON DIRECTORS' RESPONSIBILITY

PURSUANT TO PARAGRAPH 15.26(a) OF THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD

As required under the Companies Act 2016 ("Act") in Malaysia, the Directors of Genting Plantations Berhad have made a statement expressing an opinion on the financial statements. The Board is of the opinion that the financial statements have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and comply with the requirements of the Act so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and of the financial performance of the Group and of the Company for the financial year ended on that date.

In the process of preparing these financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the financial year. In cases where judgement and estimates were made, they were based on reasonableness and prudence.

Additionally, the Directors have relied on the systems of risk management and internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 24 February 2021.

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **NG SAY BENG (MIA 9368)**, the Officer primarily responsible for the financial management of **GENTING PLANTATIONS BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 72 to 151 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed)
NG SAY BENG, at KUALA LUMPUR in the State)
of FEDERAL TERRITORY on 24 February 2021) **NG SAY BENG**

Before me,

TAN SEOK KETT
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD
(Incorporated in Malaysia)
Registration No. 197701003946 (34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Genting Plantations Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position of the Group and of the Company as at 31 December 2020, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 72 to 151.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants,
Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia
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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD (cont'd)
(Incorporated in Malaysia)
Registration No. 197701003946 (34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no key audit matters to report.

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Management's Discussion and Analysis, Corporate Governance Statement, Sustainability Report and other sections of the 2020 Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD (cont'd)
(Incorporated in Malaysia)
Registration No. 197701003946 (34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GENTING PLANTATIONS BERHAD (cont'd)
(Incorporated in Malaysia)
Registration No. 197701003946 (34993-X)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Auditors' responsibilities for the audit of the financial statements (cont'd)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 43 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

HEW CHOOI YOKE
03203/07/2021 J
Chartered Accountant

Kuala Lumpur
24 February 2021

ANALYSIS OF SHAREHOLDINGS

Class of Shares : **Ordinary shares**

Voting Rights
- **On a show of hands** : **1 vote**
- **On a poll** : **1 vote for each share held**

As At 12 March 2021

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares*	% of Shares
Less than 100	280	4.200	1,594	0.000
100 - 1,000	2,822	42.335	2,138,579	0.238
1,001 - 10,000	2,841	42.619	10,260,385	1.144
10,001 - 100,000	526	7.891	15,581,998	1.737
100,001 to less than 5% of issued shares	189	2.835	178,858,376	19.935
5% and above of issued shares	8	0.120	690,357,298	76.946
Total	**6,666**	**100.000**	**897,198,230**	**100.000**

Note
* *Excluding 160,000 shares bought back and retained by the Company as treasury shares*

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS AS AT 12 MARCH 2021
(Without aggregating the securities from different securities accounts belonging to the same depositor)

	Name	No. of Shares	% of Shares
1.	Genting Berhad	102,205,200	11.392
2.	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	98,294,198	10.956
3.	Genting Berhad	96,000,000	10.700
4.	Genting Berhad	96,000,000	10.700
5.	Genting Berhad	96,000,000	10.700
6.	Genting Berhad	96,000,000	10.700
7.	Kumpulan Wang Persaraan (Diperbadankan)	60,486,100	6.742
8.	AmanahRaya Trustees Berhad *Amanah Saham Bumiputera*	45,371,800	5.057
9.	Citigroup Nominees (Tempatan) Sdn Bhd *Exempt AN for AIA Bhd*	18,212,400	2.030
10.	Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)*	11,214,200	1.250
11.	Genting Equities (Hong Kong) Limited	8,566,800	0.955
12.	AmanahRaya Trustees Berhad *Public Ittikal Sequel Fund*	7,895,500	0.880
13.	Cartaban Nominees (Asing) Sdn Bhd *Exempt AN for State Street Bank & Trust Company (WEST CLT OD67)*	7,435,000	0.829
14.	Cartaban Nominees (Tempatan) Sdn Bhd *PAMB for Prulink Equity Fund*	6,436,400	0.717

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS AS AT 12 MARCH 2021 (cont'd)
(Without aggregating the securities from different securities accounts belonging to the same depositor)

Name	No. of Shares	% of Shares
15. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	5,591,100	0.623
16. Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad for Public Ittikal Fund (N14011970240)*	5,358,200	0.597
17. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (AFFIN-HWG)*	5,287,700	0.589
18. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Total International Stock Index Fund*	4,326,603	0.482
19. Pertubuhan Keselamatan Sosial	4,114,900	0.459
20. Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad (PAR3)*	3,670,300	0.409
21. AmanahRaya Trustees Berhad *Public Islamic Dividend Fund*	3,562,540	0.397
22. Permodalan Nasional Berhad	3,514,800	0.392
23. AmanahRaya Trustees Berhad *Public Islamic Equity Fund*	2,378,000	0.265
24. Maybank Nominees (Tempatan) Sdn Bhd *MTrustee Berhad for Principal Dali Equity Growth Fund (UT-CIMB-DALI)(419455)*	2,334,100	0.260
25. Genting Berhad	2,200,800	0.245
26. AmanahRaya Trustees Berhad *Public Islamic Select Enterprises Fund*	2,098,300	0.234
27. Cartaban Nominees (Tempatan) Sdn Bhd *PBTB for Takafulink Dana Ekuiti*	1,920,000	0.214
28. DB (Malaysia) Nominee (Asing) Sdn Bhd *BNYM SA/NV for People's Bank of China (SICL ASIA EM)*	1,771,000	0.197
29. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II*	1,661,300	0.185
30. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (ASIANISLAMIC)*	1,379,900	0.154
Total	**801,287,141**	**89.310**

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 12 MARCH 2021

	No. of Shares			
Name	Direct Interest	% of Shares	Deemed Interest	% of Shares
Genting Berhad ("GENT")	488,406,000	54.4368	8,566,800*	0.9548
Employees Provident Fund Board	109,369,198	12.1901	-	-
Kumpulan Wang Persaraan (Diperbadankan)	64,919,100	7.2358	-	-
AmanahRaya Trustees Berhad – Amanah Saham Bumiputera	45,371,800	5.0571	-	-
Kien Huat Realty Sdn Berhad ("KHR")	-	-	488,406,000^	54.4368
Kien Huat International Limited ("KHI")	-	-	488,406,000^	54.4368
Parkview Management Sdn Bhd ("PMSB") as trustee of a discretionary trust	-	-	488,406,000^	54.4368
Tan Sri Lim Kok Thay	442,800	0.0494	488,406,000#	54.4368
Mr Lim Keong Hui	-	-	488,406,000#	54.4368

Notes:

* *Deemed interest through a direct subsidiary of GENT.*

^ *Deemed interest through GENT.*

\# *Deemed interest by virtue of Tan Sri Lim Kok Thay and Mr Lim Keong Hui being beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares in KHR. KHR owns more than 20% of the voting shares of GENT which in turn owns these ordinary shares in Genting Plantations Berhad ("GENP"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENP held by GENT as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GENT.*

DIRECTORS' SHAREHOLDINGS AND PERFORMANCE SHARES AS PER THE REGISTERS PURSUANT TO THE COMPANIES ACT 2016 AS AT 12 MARCH 2021

INTEREST IN THE COMPANY

	No. of Shares			
Name	Direct Interest	% of Shares	Deemed Interest	% of Shares
Tan Sri Lim Kok Thay	442,800	0.0494	488,406,000(1)	54.4368
Mr Tan Kong Han	54,000	0.0060	-	-
Mr Lim Keong Hui	-	-	488,406,000(1)	54.4368
Mr Yong Chee Kong(6d)	1,000	0.0001	-	-

INTEREST IN GENTING BERHAD ("GENT"), A COMPANY WHICH OWNS 55.39% INTEREST IN THE COMPANY

Name	No. of Shares			
	Direct Interest	% of Shares	Deemed Interest	% of Shares
Tan Sri Lim Kok Thay	68,119,980	1.7691	1,655,936,110[2]	43.0049
Mr Tan Kong Han	820,000	0.0213	100,000[5]	0.0026
Mr Lim Keong Hui	-	-	1,655,936,110[2]	43.0049
Mr Quah Chek Tin[6b]	6,250	0.0002	-	-
Mr Yong Chee Kong[6e]	-	-	-	-

INTEREST IN GENTING MALAYSIA BERHAD ("GENM"), A COMPANY WHICH IS 49.50% OWNED BY GENT

Name	No. of Shares				No. of Performance Shares granted	
	Direct Interest	% of Shares	Deemed Interest	% of Shares	Restricted Share Plan	Performance Share Plan
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	10,000	0.0002	-	-	-	-
Tan Sri Lim Kok Thay[6a]	24,973,544	0.4422	2,796,992,189[3]	49.5233	3,870,869	6,531,397
Mr Tan Kong Han	590,000	0.0104	53,500[5]	0.0009	-	-
Mr Lim Keong Hui	1,368,418	0.0242	2,796,992,189[3]	49.5233	1,204,000	3,551,566
Mr Quah Chek Tin	5,000	0.0001	-	-	-	-
Mr Ching Yew Chye[6c]	-	-	-	-	-	-
Mr Yong Chee Kong[6f]	-	-	-	-	-	-

INTEREST IN GENTING SINGAPORE LIMITED ("GENS"), AN INDIRECT 52.66% OWNED SUBSIDIARY OF GENT

Name	No. of Shares				No. of Performance Shares granted
	Direct Interest	% of Shares	Deemed Interest	% of Shares	
Gen. Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Hj Zainuddin (R)	988,292	0.0082	-	-	-
Tan Sri Lim Kok Thay	14,945,063	0.1238	6,353,828,069[4]	52.6642	750,000
Mr Tan Kong Han	450,000	0.0037	100,000[5]	0.0008	-
Mr Lim Keong Hui	-	-	6,353,828,069[4]	52.6642	-
Mr Quah Chek Tin	1,190,438	0.0099	-	-	-

Notes:

(1) Deemed interests by virtue of Tan Sri Lim Kok Thay ("TSLKT") and Mr Lim Keong Hui ("LKH") being beneficiaries of a discretionary trust of which Parkview Management Sdn Bhd ("PMSB") is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of Kien Huat International Limited ("KHI") which in turn owns 100% of the voting shares in Kien Huat Realty Sdn Berhad ("KHR"). KHR owns more than 20% of the voting shares of Genting Berhad ("GENT") which in turn owns these ordinary shares in Genting Plantations Berhad ("GENP"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENP held by GENT as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GENT.

(2) Deemed interests by virtue of TSLKT and LKH being beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares in KHR. As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENT held by KHR and Inverway Sdn Bhd ("Inverway"), a wholly- owned subsidiary of KHR, by virtue of its controlling interest in KHR and Inverway.

Arising from the above, TSLKT and LKH have deemed interests in the shares of certain subsidiaries of GENT.

(3) Deemed interests by virtue of TSLKT and LKH being:

i) beneficiaries of a discretionary trust of which PMSB is the trustee. PMSB as trustee of the discretionary trust owns 100% of the voting shares of KHI which in turn owns 100% of the voting shares in KHR. KHR owns more than 20% of the voting shares of GENT which in turn owns these ordinary shares in Genting Malaysia Berhad ("GENM"). As such, PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of GENM held by GENT as it is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in GENT. PMSB as trustee of the discretionary trust is also deemed interested in the ordinary shares of GENM held by KHR by virtue of its controlling interest in KHR; and

ii) beneficiaries of a discretionary trust of which Summerhill Trust Company (Isle of Man) Limited ("STC") is the trustee. Golden Hope Limited ("GHL") acts as trustee of the Golden Hope Unit Trust ("GHUT"), a private unit trust whose voting units are ultimately owned by STC as trustee of the discretionary trust. GHL as trustee of GHUT owns ordinary shares in GENM.

(4) Deemed interests by virtue of TSLKT and LKH being beneficiaries of a discretionary trust of which PMSB is the trustee.

PMSB as trustee of the discretionary trust is deemed interested in the ordinary shares of Genting Singapore Limited ("GENS") held by KHR and Genting Overseas Holdings Limited, a wholly-owned subsidiary of GENT. KHR controls more than 20% of the voting shares of GENT.

(5) Deemed interest by virtue of Mr Tan Kong Han ("TKH") being the sole director and shareholder of Chan Fun Chee Holdings Inc ("CFC") which currently holds the assets of his late grandmother's estate. TKH is the Executor of his late grandmother's estate and holding the CFC assets as trustee for himself and certain of his family members in accordance with the will of his late grandmother.

(6) The following disclosures are made pursuant to Section 59(11)(c) of the Companies Act 2016:

(a) Interests of TSLKT's children (other than LKH who is a director of the Company) in GENM are as follows:

Name	*Ordinary Shares*	*No. of Performance Shares granted*	
		Restricted Share Plan	*Performance Share Plan*
Lim Keong Han	*7,436 (0.0001%)*	*10,000*	*41,130*
Lim Keong Loui	*-*	*37,800*	*155,720*

(b) Mr Quah's spouse holds 1,250,000 ordinary shares (0.0325%) in GENT.

(c) Mr Ching's spouse holds 100,000 ordinary shares (0.0018%) in GENM.

(d) Mr Yong's spouse holds 60,000 ordinary shares (0.0067%) in the Company.

(e) Mr Yong's spouse holds 1,000 ordinary shares (negligible) in GENT.

(f) Mr Yong's spouse and children collectively hold 9,000 ordinary shares (0.0002%) in GENM.

OTHER INFORMATION

Material Contracts

Material contracts of the Company and its subsidiaries involving Directors and major shareholders either subsisting at the end of the financial year ended 31 December 2020, or entered into since the end of the previous financial year are disclosed in Note 42 to the financial statements under "Significant Related Party Transaction and Balances" on pages 146 to 147 of the Annual Report.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Third Annual General Meeting of Genting Plantations Berhad ("the Company") will be held fully virtual at the Broadcast Venue, 25th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Tuesday, 1 June 2021 at 10.00 a.m.

AS ORDINARY BUSINESSES

1. To lay before the meeting the Audited Financial Statements for the financial year ended 31 December 2020 and the Directors' and Auditors' Reports thereon.
   (Please see Explanatory Note A)

2. To approve the declaration of a final single-tier dividend of 4.0 sen per ordinary share for the financial year ended 31 December 2020 to be paid on 22 June 2021 to members registered in the Record of Depositors on 3 June 2021. **(Ordinary Resolution 1)**

3. To approve the payment of Directors' fees of RM902,500 for the financial year ended 31 December 2020. **(Ordinary Resolution 2)**

4. To approve the payment of Directors' benefits-in-kind for the period from 1 June 2021 until the next annual general meeting of the Company in 2022. *(Please see Explanatory Note B)* **(Ordinary Resolution 3)**

5. To re-elect the following persons as Directors of the Company pursuant to Paragraph 99 of the Company's Constitution:
   (i) Tan Sri Lim Kok Thay **(Ordinary Resolution 4)**
   (ii) Lt. Gen. Dato' Abdul Ghani bin Abdullah (R) *(Please see Explanatory Note C)* **(Ordinary Resolution 5)**
   (iii) Tan Sri Dato' Sri Zaleha binti Zahari *(Please see Explanatory Note C)* **(Ordinary Resolution 6)**

6. To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 7)**

AS SPECIAL BUSINESSES

To consider and, if thought fit, pass the following Ordinary Resolutions:

7. **Authority to Directors pursuant to Sections 75 and 76 of the Companies Act 2016**

   "That, subject always to the Companies Act 2016, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and the approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to:

   (1) allot shares in the Company; and/or
   (2) grant rights to subscribe for shares in the Company; and/or
   (3) convert any security into shares in the Company; and/or
   (4) allot shares under an agreement or option or offer,

at any time and from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided it does not exceed 10% of the total number of issued shares of the Company as prescribed by the MMLR at the time of issuance of shares and such authority under this resolution shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or when it is required by law to be held, whichever is earlier, and that:

(a) approval and authority be and are given to the Directors of the Company to take all such actions that may be necessary and/or desirable to give effect to this resolution and in connection therewith to enter into and execute on behalf of the Company any instrument, agreement and/or arrangement with any person, and in all cases with full power to assent to any condition, modification, variation and/or amendment (if any) in connection therewith; and

(b) the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.", **(Ordinary Resolution 8)**

8. **Proposed renewal of the authority for the Company to purchase its own shares**

"That, subject to compliance with all applicable laws, the Companies Act 2016, the Company's Constitution, and the regulations and guidelines applied from time to time by Bursa Malaysia Securities Berhad ("Bursa Securities") and/or any other relevant regulatory authority:

(a) approval and authority be and are given for the Company to utilise up to the total retained earnings of the Company, based on its latest audited financial statements available up to the date of the transaction, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company (as may be determined by the Directors of the Company) on Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the interests of the Company, provided that:

    (i) the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of purchase; and
    (ii) in the event that the Company ceases to hold all or any part of such shares as a result of (among others) cancellations, re-sales, transfers and/or distributions of any of these shares so purchased, the Company shall be entitled to further purchase and/or hold such additional number of shares as shall (in aggregate with the shares then still held by the Company) not exceed 10% of the total number of issued shares of the Company at the time of purchase;

    and based on the audited financial statements of the Company for the financial year ended 31 December 2020, the balance of the Company's retained earnings was approximately RM3.93 billion;

(b) the approval and authority conferred by this resolution shall commence on the passing of this resolution and shall remain valid and in full force and effect until:

    (i) the conclusion of the next Annual General Meeting of the Company;
    (ii) the expiry of the period within which the next Annual General Meeting is required by law to be held; or
    (iii) the same is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting,

    whichever occurs first;

(c) approval and authority be and are given to the Directors of the Company, in their absolute discretion:

   (i) to deal with the shares so purchased in the following manner:
      (A) to cancel such shares;
      (B) to retain such shares as treasury shares;
      (C) to retain part of such shares as treasury shares and cancel the remainder of such shares; and/or
      (D) in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force,

   and such authority to deal with such shares shall continue to be valid until all such shares have been dealt with by the Directors of the Company; and

   (ii) to deal with the existing treasury shares of the Company in the following manner:
      (A) to cancel all or part of such shares;
      (B) to distribute all or part of such shares as dividends to shareholders;
      (C) to resell all or part of such shares on Bursa Securities in accordance with the relevant rules of Bursa Securities;
      (D) to transfer all or part of such shares for the purposes of or under an employees' share scheme;
      (E) to transfer all or part of such shares as purchase consideration; and/or
      (F) in any other manner as may be prescribed by applicable law and/or the regulations and guidelines applied from time to time by Bursa Securities and/or any other relevant authority for the time being in force,

   and such authority to deal with such shares shall continue to be valid until all such shares have been dealt with by the Directors of the Company; and

(d) approval and authority be and are given to the Directors of the Company to take all such actions that may be necessary and/or desirable to give effect to this resolution and, in connection therewith:

   (i) to enter into and execute on behalf of the Company any instrument, agreement and/or arrangement with any person, and in all cases with full power to assent to any condition, modification, variation and/or amendment (if any) as may be imposed by any relevant regulatory authority or Bursa Securities, and/or as may be required in the best interest of the Company; and/or
   (ii) to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company." **(Ordinary Resolution 9)**

9. **Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature**

"That approval and authority be and are hereby given for the Company and/or its subsidiaries to enter into any of the transactions falling within the types of recurrent related party transactions of a revenue or trading nature with the related parties ("Proposed Shareholders' Mandate") as set out in Section 2.3 of the Circular to Shareholders in relation to the Proposed Shareholders' Mandate, provided that such transactions are undertaken in the ordinary course of business, at arm's length and based on commercial terms and on terms not more favourable to the related party than those generally available to/from the public and are not detrimental to the minority shareholders and that the breakdown of the aggregate value of the recurrent related party transactions conducted/to be conducted during the financial year, including the types of recurrent related party transactions made and the names of the related parties, will be disclosed in the annual report of the Company pursuant to the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

and such approval shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which such Proposed Shareholders' Mandate is passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
(ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier." **(Ordinary Resolution 10)**

10. To transact any other business of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN that, subject to the shareholders' approval for the payment of final single-tier dividend, a depositor shall qualify for entitlement to the final single-tier dividend only in respect of:

(a) shares transferred into the depositor's securities account before 4.30 p.m. on 3 June 2021 in respect of transfers; and
(b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

LOH BEE HONG
MAICSA 7001361
SSM Practicing Certificate No. 202008000906
Secretary

Kuala Lumpur
6 April 2021

NOTES

1. *In view of the Covid-19 health concerns, the Forty-Third Annual General Meeting ("43rd AGM") will be conducted fully virtual via live streaming and online remote voting using the Remote Participation and Voting Facilities ("RPV"). The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") as the Poll Administrator for the 43rd AGM to facilitate the RPV via TIIH Online website at https://tiih.online. Please follow the procedures set out in the Administrative Guide for the 43rd AGM which is available on the Company's website at https://www.gentingplantations.com/agm/ to register, participate, speak and vote remotely via the RPV.*

2. *The Broadcast Venue of the 43rd AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which stipulates that the Chairman shall be at the main venue of the 43rd AGM. Members will not be allowed to attend the 43rd AGM in person at the Broadcast Venue on the day of the 43rd AGM.*

3. *A member who is entitled to attend, participate, speak and vote at the 43rd AGM via RPV is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. Where a member appoints more than one proxy, the appointments shall be invalid unless the member specifies the proportions of his/her/its shareholding to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. In the case of a corporation, the proxy form must be either under seal or signed by a duly authorised officer or attorney.*

4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*

5. *The appointment of a proxy may be made in a hard copy form or by electronic means. Proxy forms must be submitted in the following manner, not less than forty-eight (48) hours before the time appointed for holding the 43rd AGM or at any adjournment thereof:*

   (i) In hard copy form

   The original signed proxy form must be deposited with the Company's appointed Poll Administrator, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

   (ii) By Tricor Online System (TIIH Online)

   The proxy form can be electronically submitted via TIIH Online at https://tiih.online. Please follow the procedures set out in the Administrative Guide.

6. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 43rd AGM will be put to vote by poll.*

7. *For the purpose of determining members who shall be entitled to attend the 43rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 24 May 2021. Only depositors whose names appear on the Record of Depositors as at 24 May 2021 shall be entitled to attend the said meeting or appoint proxies to attend and vote on their behalf.*

Explanatory Note A

This Agenda is meant for discussion only as under the provision of Section 340(1)(a) of the Companies Act 2016, the audited financial statements do not require a formal approval of the shareholders. Hence, this matter will not be put forward for voting.

Explanatory Note B

Pursuant to Section 230(1) of the Companies Act 2016, Ordinary Resolution 3 on the payment of Directors' benefits-in-kind for the period from 1 June 2021 until the next annual general meeting of the Company in 2022 in the manner set out below:

(A)	Meeting Allowance (per meeting)	Chairman	Member
	• Audit Committee	RM5,775	RM3,850
	• Risk Management Committee	RM4,125	RM2,750
	• Nomination Committee	RM4,125	RM2,750
	• Remuneration Committee	RM4,125	RM2,750
(B)	Other Benefits	Non-Executive Directors	
	Tele-communication facilities and other reimbursable/claimable benefits-in-kind	Up to RM40,000	

In the event that the Directors' benefits-in-kind payable to the Non-Executive Directors of the Company during the above period exceed the estimated amount sought at the forthcoming 43rd AGM of the Company, shareholders' approval will be sought at the next annual general meeting for the additional amount to meet the shortfall.

Explanatory Note C

The Board has undertaken an annual assessment on the independence of all its Independent Directors including Lt. Gen. Dato' Abdul Ghani bin Abdullah (R) and Tan Sri Dato' Sri Zaleha binti Zahari who are seeking for re-election as Directors of the Company pursuant to the Company's Constitution at the forthcoming 43rd AGM. The annual assessment has been disclosed in the Corporate Governance Report which is made available on the Company's website at https://www.gentingplantations.com/agm/.

Explanatory Notes on Special Businesses

(1) *Ordinary Resolution 8, if passed, will give a renewed mandate to the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016 ("Renewed Mandate") for such purposes as the Directors may deem fit and in the interest of the Company. The Renewed Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.*

   As at the date of this Notice, the Directors have not utilised the mandate granted to the Directors at the last Annual General Meeting held on 19 June 2020 and the said mandate will lapse at the conclusion of the 43rd AGM.

   The Company is seeking approval from the shareholders on the Renewed Mandate for the purpose of possible fund raising exercise including but not limited to placement of shares for purpose of funding future investment project(s), working capital and/or acquisitions and to avoid delay and cost in convening general meetings to approve such issue of shares.

(2) *Ordinary Resolution 9, if passed, will empower the Directors of the Company to purchase the Company's shares of an aggregate amount of up to 10% of the total number of issued shares of the Company for the time being ("Proposed Share Buy-Back Renewal") by utilising up to the total retained earnings of the Company based on its latest audited financial statements up to the date of the purchase. The authority under this resolution will expire at the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held, or the same is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting, whichever occurs first.*

   Further information on the Proposed Share Buy-Back Renewal is set out in the Circular to Shareholders dated 6 April 2021.

(3) *Ordinary Resolution 10, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature pursuant to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Proposed Shareholders' Mandate"). This authority will expire at the conclusion of the next Annual General Meeting of the Company or the expiry of the period within which the next Annual General Meeting is required by law to be held, unless revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting, whichever is earlier.*

   Further information on the Proposed Shareholders' Mandate is set out in the Circular to Shareholders dated 6 April 2021.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Details of individuals who are standing for election as Directors

No individual is seeking election as a Director at the forthcoming Forty-Third Annual General Meeting of the Company ("43rd AGM").

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note (1) of the Notice of 43rd AGM.

GENTING PLANTATIONS

GENTING PLANTATIONS BERHAD

197701003946 (34993-X)

(Incorporated in Malaysia)

FORM OF PROXY

(Before completing the form, please refer to the notes overleaf)

I/We ____
(FULL NAME IN BLOCK CAPITALS)

NRIC No./Passport No./Co. No. ____

of ____
(ADDRESS)

____

being a member of GENTING PLANTATIONS BERHAD hereby appoint:

Name of Proxy *(Full Name)*	**NRIC No./Passport No.**	**% of shareholding to be represented** *(Refer to Note 3)*
Address		**Proxy's Contact No.**

*and/or failing him/her,

Name of Proxy *(Full Name)*	**NRIC No./Passport No.**	**% of shareholding to be represented** *(Refer to Note 3)*
Address		**Proxy's Contact No.**

or failing him/her, the *CHAIRMAN OF THE MEETING as *my/our proxy(ies) to attend and vote for me/us on my/our behalf at the Forty-Third Annual General Meeting of the Company which will be held fully virtual at the Broadcast Venue, 25th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Tuesday, 1 June 2021 at 10.00 a.m. or at any adjournment thereof.

** Delete if inapplicable*

My/our proxy (ies) shall vote as follows:

ORDINARY BUSINESS	**RESOLUTIONS**	**For**	**Against**
To approve the declaration of a final single-tier dividend of 4.0 sen per ordinary share.	**Ordinary Resolution 1**		
To approve the payment of Directors' fees for the financial year ended 31 December 2020.	**Ordinary Resolution 2**		
To approve the payment of Directors' benefits-in-kind for the period from 1 June 2021 until the next annual general meeting in 2022.	**Ordinary Resolution 3**		
To re-elect the following Directors pursuant to Paragraph 99 of the Company's Constitution: (i) Tan Sri Lim Kok Thay	**Ordinary Resolution 4**		
(ii) Lt. Gen. Dato' Abdul Ghani bin Abdullah (R)	**Ordinary Resolution 5**		
(iii) Tan Sri Dato' Sri Zaleha binti Zahari	**Ordinary Resolution 6**		
To re-appoint Auditors and authorise the Directors to fix their remuneration.	**Ordinary Resolution 7**		
SPECIAL BUSINESS			
To approve the authority to Directors pursuant to Sections 75 and 76 of the Companies Act 2016.	**Ordinary Resolution 8**		
To renew the authority for the Company to purchase its own shares.	**Ordinary Resolution 9**		
To approve the renewal of the proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature.	**Ordinary Resolution 10**		

(Please indicate with an "✘" or "✔" in the spaces provided how you wish your votes to be cast. If you do not do so, the proxy/proxies will vote or abstain from voting at his/her/their discretion.)

Signed this ________ day of __________________ 2021

No. of Shares held	**CDS Account No.**	**Shareholder's Contact No.**

*Delete if inapplicable

____
Signature of Member

NOTES

1. *In view of the Covid-19 health concerns, the Forty-Third Annual General Meeting ("43rd AGM") will be conducted fully virtual via live streaming and online remote voting using the Remote Participation and Voting Facilities ("RPV"). The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") as the Poll Administrator for the 43rd AGM to facilitate the RPV via TIIH Online website at https://tiih.online. Please follow the procedures set out in the Administrative Guide for the 43rd AGM which is available on the Company's website at https://www.gentingplantations.com/agm/ to register, participate, speak and vote remotely via the RPV.*

2. *The Broadcast Venue of the 43rd AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which stipulates that the Chairman shall be at the main venue of the 43rd AGM. Members will not be allowed to attend the 43rd AGM in person at the Broadcast Venue on the day of the 43rd AGM.*

3. *A member who is entitled to attend, participate, speak and vote at the 43rd AGM via RPV is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. Where a member appoints more than one proxy, the appointments shall be invalid unless the member specifies the proportions of his/her/its shareholding to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. In the case of a corporation, the proxy form must be either under seal or signed by a duly authorised officer or attorney.*

4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*

5. *The appointment of a proxy may be made in a hard copy form or by electronic means. Proxy forms must be submitted in the following manner, not less than forty-eight (48) hours before the time appointed for holding the 43rd AGM or at any adjournment thereof:*

   (i) In hard copy form

   The original signed proxy form must be deposited with the Company's appointed Poll Administrator, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

   (ii) By Tricor Online System (TIIH Online)

   The proxy form can be electronically submitted via TIIH Online at https://tiih.online. Please follow the procedures set out in the Administrative Guide.

6. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 43rd AGM will be put to vote by poll.*

7. *For the purpose of determining members who shall be entitled to attend the 43rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 24 May 2021. Only depositors whose names appear on the Record of Depositors as at 24 May 2021 shall be entitled to attend the said meeting or appoint proxies to attend and vote on their behalf.*

GROUP OFFICES AND OPERATING UNITS

PLANTATION DIVISION

West Malaysia

Genting Bukit Sembilan Estate
Kuala Ketil
09300 Kedah
Tel : +604 4430927/019-515 0927

Genting Selama Estate
Serdang
09800 Kedah
Tel : +604 3690027

Genting Tebong Estate
75990 Tebong
Melaka
Tel : +606 4486226
Fax : +606 4486750

Genting Tanah Merah Estate
P.O. Box 68
84907 Tangkak, Johor
Tel : +606 9781310
Fax : +606 9789810

Genting Sri Gading Estate
P.O. Box 510
83009 Batu Pahat, Johor
Tel : +607 4558634
Fax : +607 4559629

Genting Sungei Rayat Estate
P.O. Box 511
83009 Batu Pahat, Johor
Tel : +607 4558237
Fax : +607 4557931

Genting Kulai Besar Estate
No. 1213-1215
Jalan Kasturi 36/45, Indahpura
81000 Kulaijaya, Johor
Tel : +607 6840386
Fax : +607 6841184

Genting Ayer Item Oil Mill
Batu 54 Jalan Johor
Air Hitam
86100 Johor
Tel : +607 7631992

Sabah

Genting Plantations Office, Sabah
Wisma Genting Plantations
KM 12, Labuk Road
90000 Sandakan, Sabah
Tel : +6089 673363/672787
Fax : +6089 673976

Genting Sabapalm Estate
Tel : +6089 265796

Genting Tenegang Estate
Tel : +6089 565220/563120

Genting Bahagia Estate
Tel : +6089 577157

Genting Tanjung Estate
Tel : +6089 568087

Genting Landworthy Estate
Tel : +6089 845152

Genting Layang Estate
Tel : +6089 845102

Genting Jambongan Estate
Tel : +6089 251200

Genting Indah Estate
Tel : +6087 307110

Genting Permai Estate
Tel : +6087 307100

Genting Kencana Estate
Tel : +6087 307116
Fax : +6087 307119

Genting Mewah Estate
Tel : +6089 565914

Genting Lokan Estate
Tel : +6089 842110

Genting Sekong Estate
Tel/Fax : +6089 677231/622688
+6089 677460

Genting Suan Lamba Estate
Tel : +6089 622291/623233

GROUP OFFICES AND OPERATING UNITS (cont'd)

Genting Sabapalm Oil Mill
Tel : +6089 265921
Fax : +6089 265317

Genting Tanjung Oil Mill
Tel : +6089 567288/567178

Genting Mewah Oil Mill
Tel : +6089 565470/563126
Fax : +6089 563068

Genting Trushidup Oil Mill
Tel/Fax : +6089 677230

Genting Indah Oil Mill
Tel : +6087 307112/307113
Fax : +6087 307115

Genting Jambongan Oil Mill
Tel : +6089 257112

Sarawak

Serian Palm Oil Mill
4 Km Kedup/Mongkos Link Road
Off 13 Km Poaon Limau/Mentung Marau Road
Off 20 Km Serian/Sri Aman Road
P.O.Box 150, 94700 Serian, Sarawak
Tel : +6082 895264/895718
Fax : +6082 895393

Indonesia

PT Genting Plantations Nusantara
DBS Tower
15th Floor, Ciputra World 1
Jl. Prof. Dr. Satrio Kav. 3-5
Jakarta 12940, Indonesia
Tel : +62 21 29887600
Fax : +62 21 29887601

PROPERTY DIVISION

Head Office
Genting Property Sdn Bhd
3rd Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel : +603 23332255
Fax : +603 21641218

Genting Indahpura Sales Gallery
No. 1213-1215
Jalan Kasturi 36/45, Indahpura
81000 Kulai, Johor, Malaysia
Tel : +607 66231188
Fax : +607 6624655

Genting Pura Kencana Sales Gallery
No. 1, Jalan Sisiran Pura Kencana 1A/1
Taman Genting Pura Kencana
83300 Sri Gading, Batu Pahat
Johor, Malaysia
Tel : +607 4558181
Fax : +607 4557171

Johor Premium Outlets®
Jalan Premium Outlets
Indahpura, 81000 Kulai,
Johor, Malaysia
Tel : +607 6618888
Fax : +607 6618810

Genting Highlands Premium Outlets®
KM13, Genting Highlands Resort
69000 Genting Highlands
Pahang Darul Makmur
Tel : +603 6433 8888
Fax : +603 6433 8810

BIOTECHNOLOGY DIVISION

ACGT Laboratories
L3-I-1 Enterprise 4, Technology Park Malaysia
Lebuhraya Puchong-Sg Besi, Bukit Jalil
57000 Kuala Lumpur, Malaysia
Tel : +603 89969888
Fax : +603 89963388

The Gasoline Tree™ Experimental Research Station
Jalan Kuarters-KLIA
43900 Sepang
Selangor, Malaysia
Tel : +6019 2868856

DOWNSTREAM MANUFACTURING DIVISION

Head Office
10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel : +603 21782255
Fax : +603 21616149

GENTING PLANTATIONS BERHAD 197701003946 (34993-X)
10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia

T : +603 2178 2255 / 2333 2255
F : +603 2161 5304

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