

GENTING PLANTATIONS REPORTS THIRD QUARTER 2022 FINANCIAL RESULTS

KUALA LUMPUR, Nov 23 – Genting Plantations Berhad today reported its financial results for the third quarter (“3Q 2022”) and first nine months of the year (“YTD 2022”) ended 30 September 2022.

The Group’s 3Q 2022 revenue was 12% higher year-on-year mainly buoyed by higher sales volume of the Plantation segment and higher pricing of the Downstream Manufacturing segment's products.

Similarly, the Group registered a 16% year-on-year growth in revenue for YTD 2022 underpinned by stronger palm products prices which eclipsed the impact of lower sales volume of both Plantation and Downstream Manufacturing segments.

The Group’s achieved crude palm oil price in 3Q 2022 and YTD 2022 were RM3,368 per metric tonne (“mt”) and RM4,277 per mt respectively, whilst palm kernel price in 3Q 2022 and YTD 2022 were RM2,003 per mt and RM3,093 per mt respectively.

The Group’s FFB production in 3Q 2022 was comparable year-on-year as Indonesia recorded better harvest backed by favourable age profile and higher harvesting area, which compensated for the lower output in Malaysia due to its replanting activities. However, FFB production for YTD 2022 declined year-on-year owing to persistently wet weather which affected harvesting and logistic activities during early part of the year.

EBITDA for the Plantation segment for 3Q 2022 declined year-on-year on account of higher production cost. Nevertheless, EBITDA for YTD 2022 was higher year-on-year on the back of higher palm product prices.

EBITDA for the Property segment for 3Q 2022 and YTD 2022 improved year-on-year in tandem with higher revenue.

Notwithstanding higher revenue for 3Q 2022 and YTD 2022, the AgTech segment’s losses was higher year-on-year owing to higher research and development expenditure.

EBITDA for the Downstream Manufacturing segment for 3Q 2022 and YTD 2022 was lower year-on-year attributable to lower sales volume.

The Group’s prospects for the remaining months of 2022 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.

The Group expects palm oil prices for the remaining part of the year to be supported by its current attractive discount against other edible oils and gas oil, the normalising of Indonesia's stockpile, impending increase of Indonesia's biodiesel mandate and anticipation of low FFB production ahead of a third consecutive year of wet weather. However, bumper harvest of soybean and rapeseed for the current season and the looming economic turmoil may weaken the support on palm oil prices.

The Group's FFB production in Indonesia is expected to improve with its favourable age profile and higher harvesting area but largely moderated by the current wet weather. Malaysian operations on the other hand may record a setback as it continues with its replanting activities. Taking into consideration of the above, the Group's FFB production is expected to be comparable to the level attained in 2021.

For the Property segment, the Group will continue to offer products which cater to a broader market segment. Meanwhile, the Premium Outlets® has seen footfall and tenants' sales recovering to pre-pandemic levels.

The AgTech segment will continue to unlock value by leveraging on new technologies to augment the development of optimised genomics-based next generation planting materials and biological solutions for plant and soil health to improve yields.

With Indonesian stockpile returning to normalcy and reimplementing of the export levy in November 2022, the Downstream Manufacturing segment is expected to see recovery in its sales volume.

A summary of the quarterly results is shown in Table 1.

TABLE 1:

RM' Million	3Q 2022	3Q 2021	%	9M 2022	9M 2021	%
Revenue						
Plantation	550.1	525.4	+5	1,848.0	1,395.7	+32
Property	24.5	16.5	+48	74.2	71.1	+4
AgTech	4.1	1.2	>100	11.1	2.8	>100
Downstream Manufacturing	438.7	383.9	+14	1,092.7	1,059.4	+3
	1,017.4	927.0	+10	3,026.0	2,529.0	+20
Inter segment	(195.0)	(194.2)	-	(627.4)	(469.5)	-34
Revenue - external	822.4	732.8	+12	2,398.6	2,059.5	+16
Adjusted EBITDA						
Plantation	161.1	234.3	-31	780.0	621.8	+25
Property	11.0	0.8	>100	21.6	15.7	+38
AgTech	(1.7)	(0.7)	>100	(2.4)	(2.1)	-14
Downstream Manufacturing	7.8	25.4	-69	35.1	43.5	-19
Others*	8.1	3.5	>100	17.8	12.3	+45
	186.3	263.3	-29	852.1	691.2	+23
EBITDA	186.2	249.0	-25	852.0	658.9	+29
Profit before tax	106.1	166.3	-36	621.8	423.2	+47
Profit for the financial period	74.4	117.4	-37	450.2	301.2	+49
Basic EPS (sen)	8.41	11.39	-26	46.32	30.16	+54

**Changes in the "Others" category mainly reflect the impact from foreign currency translation position arising from foreign exchange movements.*

About Genting Plantations Berhad

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* scheme) in Indonesia held through joint ventures. It owns seven oil mills in Malaysia and five in Indonesia, with a total milling capacity of 665 metric tonnes per hour. In addition, the 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.

For more information, visit www.gentingplantations.com.

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THIRD QUARTERLY REPORT

Quarterly report on consolidated results for the third quarter ended 30 September 2022. The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2022 RM'000	Preceding Year Corresponding Quarter 30/09/2021 RM'000	Current Year To-Date 30/09/2022 RM'000	Preceding Year Corresponding Period 30/09/2021 RM'000
Revenue	822,368	732,824	2,398,595	2,059,514
Cost of sales	<u>(652,052)</u>	<u>(493,392)</u>	<u>(1,594,095)</u>	<u>(1,419,313)</u>
Gross profit	170,316	239,432	804,500	640,201
Other income	20,589	22,597	40,870	41,167
Other expenses	<u>(70,686)</u>	<u>(74,414)</u>	<u>(192,999)</u>	<u>(199,491)</u>
Other gains	<u>8,093</u>	<u>461</u>	<u>17,646</u>	<u>2,462</u>
Profit from operations	128,312	188,076	670,017	484,339
Finance cost	<u>(29,122)</u>	<u>(23,181)</u>	<u>(78,483)</u>	<u>(69,861)</u>
Share of results in joint ventures and associates	<u>6,918</u>	<u>1,432</u>	<u>30,292</u>	<u>8,747</u>
Profit before taxation	106,108	166,327	621,826	423,225
Taxation	<u>(31,752)</u>	<u>(48,965)</u>	<u>(171,613)</u>	<u>(121,994)</u>
Profit for the financial period	<u>74,356</u>	<u>117,362</u>	<u>450,213</u>	<u>301,231</u>
Profit/(loss) attributable to:				
Equity holders of the Company	75,485	102,217	415,563	270,581
Non-controlling interests	<u>(1,129)</u>	<u>15,145</u>	<u>34,650</u>	<u>30,650</u>
	<u>74,356</u>	<u>117,362</u>	<u>450,213</u>	<u>301,231</u>
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	<u>8.41</u>	<u>11.39</u>	<u>46.32</u>	<u>30.16</u>
- Diluted	<u>8.41</u>	<u>11.39</u>	<u>46.32</u>	<u>30.16</u>

(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2022 RM'000	Preceding Year Corresponding Quarter 30/09/2021 RM'000	Current Year To-Date 30/09/2022 RM'000	Preceding Year Corresponding Period 30/09/2021 RM'000
Profit for the financial period	74,356	117,362	450,213	301,231
Other comprehensive income/(loss), net of tax:				
Items that will not be reclassified subsequently to profit or loss:				
Changes in the fair value of equity investments at fair value through other comprehensive income	(3,250)	-	(19,840)	-
Actuarial loss on retirement benefit liability	-	-	-	(51)
	<u>(3,250)</u>	<u>-</u>	<u>(19,840)</u>	<u>(51)</u>
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedge				
- Fair value changes	23,416	(47,207)	12,951	(51,233)
- Reclassifications	10,039	17,556	16,676	22,540
	<u>33,455</u>	<u>(29,651)</u>	<u>29,627</u>	<u>(28,693)</u>
Foreign currency translation differences	47,197	32,901	47,233	27,733
	<u>80,652</u>	<u>3,250</u>	<u>76,860</u>	<u>(960)</u>
Other comprehensive income/(loss) for the financial period, net of tax	<u>77,402</u>	<u>3,250</u>	<u>57,020</u>	<u>(1,011)</u>
Total comprehensive income for the financial period	<u>151,758</u>	<u>120,612</u>	<u>507,233</u>	<u>300,220</u>
Total comprehensive income attributable to:				
Equity holders of the Company	151,858	107,069	480,045	279,815
Non-controlling interests	(100)	13,543	27,188	20,405
	<u>151,758</u>	<u>120,612</u>	<u>507,233</u>	<u>300,220</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)



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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

	As at 30/09/2022 RM'000	Audited As at 31/12/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	4,521,154	4,365,289
Land held for property development	382,977	365,401
Investment properties	18,491	21,944
Right-of-use assets	971,858	965,770
Intangible assets	29,259	25,697
Joint ventures	320,557	244,853
Associates	11,841	14,004
Financial assets at fair value through profit or loss	4,336	3,731
Financial assets at fair value through other comprehensive income	10,202	26,371
Derivative financial instruments	2,262	-
Other non-current assets	184,052	173,803
Deferred tax assets	61,125	46,977
	<u>6,518,114</u>	<u>6,253,840</u>
Current assets		
Property development costs	6,498	11,480
Inventories	324,933	180,184
Produce growing on bearer plants	11,416	12,472
Tax recoverable	12,509	15,628
Trade and other receivables	577,176	634,260
Amounts due from joint ventures, associates and other related companies	1,667	955
Derivative financial instruments	13,402	7,536
Restricted cash	19,303	17,265
Cash and cash equivalents	1,669,170	1,630,330
	<u>2,636,074</u>	<u>2,510,110</u>
Assets classified as held for sale	2,226	-
TOTAL ASSETS	<u>2,638,300</u>	<u>2,510,110</u>
	<u>9,156,414</u>	<u>8,763,950</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022 *(Continued)*

	As at 30/09/2022 RM'000	Audited As at 31/12/2021 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,724,016	1,724,016
Treasury shares	(1,372)	(1,372)
Reserves	3,601,458	3,426,461
	<u>5,324,102</u>	<u>5,149,105</u>
Non-controlling interests	171,914	146,635
Total equity	5,496,016	5,295,740
Non-current liabilities		
Borrowings	2,128,475	2,171,911
Lease liabilities	6,792	7,776
Provisions	73,529	57,621
Derivative financial instruments	-	1,154
Deferred tax liabilities	445,328	385,221
Other non-current liabilities	1,813	1,468
	<u>2,655,937</u>	<u>2,625,151</u>
Current liabilities		
Trade and other payables	553,418	430,960
Amounts due to ultimate holding and other related companies	549	3,561
Borrowings	382,823	345,132
Lease liabilities	2,492	2,369
Derivative financial instruments	3,535	19,924
Taxation	61,644	41,113
	<u>1,004,461</u>	<u>843,059</u>
Total liabilities	3,660,398	3,468,210
TOTAL EQUITY AND LIABILITIES	9,156,414	8,763,950
NET ASSETS PER SHARE (RM)	5.93	5.74

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

	<----- Attributable to equity holders of the Company ----->								
	Share Capital RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 January 2022	1,724,016	(81,816)	(240,972)	(12,437)	(1,372)	3,761,686	5,149,105	146,635	5,295,740
Profit for the financial period	-	-	-	-	-	415,563	415,563	34,650	450,213
Other comprehensive income/(loss)	-	(19,840)	57,971	26,351	-	-	64,482	(7,462)	57,020
Total comprehensive income/(loss) for the financial period	-	(19,840)	57,971	26,351	-	415,563	480,045	27,188	507,233
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,909)	(1,909)
Appropriation:									
- Special single-tier dividend paid for the financial year ended 31 December 2021 (15.0 sen)	-	-	-	-	-	(134,580)	(134,580)	-	(134,580)
- Final single-tier dividend paid for the financial year ended 31 December 2021 (4.0 sen)	-	-	-	-	-	(35,888)	(35,888)	-	(35,888)
- Interim single-tier dividend paid for the financial year ending 31 December 2022 (15.0 sen)	-	-	-	-	-	(134,580)	(134,580)	-	(134,580)
	-	-	-	-	-	(305,048)	(305,048)	-	(305,048)
At 30 September 2022	1,724,016	(101,656)	(183,001)	13,914	(1,372)	3,872,201	5,324,102	171,914	5,496,016

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (Continued)**

	<----- 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
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	1,724,016	(84,586)	(263,493)	(22,896)	(1,372)	3,563,257	4,914,926	122,729	5,037,655
Profit for the financial period	-	-	-	-	-	270,581	270,581	30,650	301,231
Other comprehensive income/(loss)	-	-	31,202	(21,904)	-	(64)	9,234	(10,245)	(1,011)
Total comprehensive income/(loss) for the financial period	-	-	31,202	(21,904)	-	270,517	279,815	20,405	300,220
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,297)	(1,297)
Appropriation:									
- Special single-tier dividend paid for the financial year ended 31 December 2020 (11.0 sen)	-	-	-	-	-	(98,691)	(98,691)	-	(98,691)
- Second interim single-tier dividend paid for the financial year ended 31 December 2020 (4.0 sen)	-	-	-	-	-	(35,888)	(35,888)	-	(35,888)
- Interim single-tier dividend paid for the financial year ended 31 December 2021 (11.0 sen)	-	-	-	-	-	(98,692)	(98,692)	-	(98,692)
	-	-	-	-	-	(233,271)	(233,271)	-	(233,271)
At 30 September 2021	<u>1,724,016</u>	<u>(84,586)</u>	<u>(232,291)</u>	<u>(44,800)</u>	<u>(1,372)</u>	<u>3,600,503</u>	<u>4,961,470</u>	<u>141,837</u>	<u>5,103,307</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

	Current Year To-Date 30/09/2022 RM'000	Preceding Year Corresponding Period 30/09/2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	621,826	423,225
Adjustments for:		
Depreciation and amortisation	209,958	187,229
Finance cost	78,483	69,861
Interest income	(27,948)	(12,718)
Investment income	-	(8,695)
Net surplus arising from government acquisition	(738)	-
Net unrealised foreign exchange differences	(15,645)	(2,469)
Share of results in joint ventures and associates	(30,292)	(8,747)
Fair value change arising from produce growing on bearer plants	(11,411)	(16,371)
Provision for retirement gratuities/benefits	14,202	15,591
Impairment losses	-	30,983
Deferred income recognised for government grant	(81)	(13,704)
Gain on disposal of investment property	(5,720)	-
Other non-cash items and adjustments	1,218	1,220
	212,026	242,180
Operating profit before changes in working capital	833,852	665,405
Changes in working capital:		
Net change in current assets	(69,177)	34,318
Net change in current liabilities	170,910	57,522
	101,733	91,840
Cash generated from operations	935,585	757,245
Tax paid (<i>net of tax refund</i>)	(98,065)	(48,136)
Retirement gratuities/benefits paid	(749)	(566)
Net cash flows from operating activities	836,771	708,543
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(244,758)	(237,501)
Purchase of intangible assets	(14)	(95)
Purchase of right-of-use assets	(665)	(4,323)
Land held for property development	(14,516)	(82,343)
Interest received	21,835	12,551
Investment income	-	8,695
Dividend received from associates	1,750	1,750
Proceeds from disposal of property, plant and equipment	251	-
Proceed from disposal of investment property	335	-
Investment in joint venture	(45,000)	-
Financial assets at fair value through other comprehensive income	(3,649)	(1,243)
Proceeds received from Government in respect of acquisition of land	869	-
Acquisition of a subsidiary*	(1,249)	-
Net cash flows from investing activities	(284,811)	(302,509)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 *(Continued)*

	Current Year To-Date 30/09/2022 RM'000	Preceding Year Corresponding Period 30/09/2021 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	606,115	722,069
Repayment of bank borrowings and transaction costs	(765,471)	(831,117)
Finance cost paid	(59,775)	(63,282)
Repayment of lease liabilities	(2,248)	(2,212)
Dividends paid	(305,048)	(233,271)
Dividends paid to non-controlling interests	(1,909)	(1,297)
Net cash flows from financing activities	(528,336)	(409,110)
Net change in cash and cash equivalents	23,624	(3,076)
Cash and cash equivalents at beginning of financial period	1,630,330	943,627
Effects of currency translation	15,216	2,523
Cash and cash equivalents at end of financial period	1,669,170	943,074
Analysis of cash and cash equivalents		
Bank balances and deposits	421,163	552,571
Money market instruments	1,248,007	390,503
	1,669,170	943,074

* **Analysis of acquisition of a subsidiary**

Fair values of net assets acquired and net cash outflow on acquisition of a subsidiary are analysed as follows:-

	RM'000
Intangible asset	(677)
Trade and other receivables	(554)
Tax recoverable	(33)
Cash and cash equivalents	(2,501)
Other payables	15
Total purchase consideration/identifiable net assets acquired	(3,750)
Less : Cash and cash equivalents acquired	2,501
Net cash outflow on acquisition of a subsidiary	(1,249)

Genting Property Sdn Bhd, a wholly-owned subsidiary of the Company had on 27 January 2022 acquired the entire issued and paid-up share capital of Jaya Capital Sdn Bhd *(formerly known as Genting Jaya Capital Sdn Bhd)* ("JCSB") comprising 3,000,003 ordinary shares of RM1 each for a cash consideration of RM3.75 million from Genting Development Sdn Bhd, a company related to certain directors of the Company. JCSB possesses a money lending licence issued by the Ministry of Housing and Local Government in Malaysia.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021)



GENTING PLANTATIONS BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
- THIRD QUARTER ENDED 30 SEPTEMBER 2022

(I) Compliance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting

(a) Accounting Policies, Presentation and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021. The accounting policies, presentation and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2021 except for the adoption of amendments to published standards and annual improvements for the Group for the financial year beginning 1 January 2022:

- Amendments to MFRS 3 “Reference to the Conceptual Framework”
- Amendments to MFRS 116 “Property, Plant and Equipment - Proceeds before Intended Use”
- Amendments to MFRS 137 “Onerous Contracts - Cost of Fulfilling a Contract”
- Annual Improvements to MFRS Standards 2018 - 2020

The adoption of these amendments to published standards and annual improvements did not have any material impact on the interim financial report of the Group.

(b) Seasonal or Cyclical Factors

Fresh fruit bunches (“FFB”) production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions.

(c) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the nine months ended 30 September 2022.

(d) Material Changes in Estimates

There were no significant changes made in estimates of amounts reported in the previous financial year.

(e) Changes in Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debts or equity securities for the nine months ended 30 September 2022.

(f) Dividend Paid

Dividend paid during the nine months ended 30 September 2022 are as follows:

	RM'Mil
(i) Special single-tier dividend paid on 29 March 2022 for the financial year ended 31 December 2021 - 15.0 sen per ordinary share	134.6
(ii) Final single-tier dividend paid on 22 June 2022 for the financial year ended 31 December 2021 - 4.0 sen per ordinary share	35.9
(iii) Interim single-tier dividend paid on 26 September 2022 for the financial year ending 31 December 2022 - 15.0 sen per ordinary share	134.6

	305.1

(g) Segment Information

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered based on the nature of the products and services, specific expertise and technology requirements of individual reportable segments. The performance of the operating segments is based on a measure of adjusted EBITDA. Items not forming part of the adjusted EBITDA include net fair value gain or loss on financial assets, gain or loss on disposal of property, plant and equipment, net surplus arising from Government acquisition, assets written off, impairment losses and reversal of previously recognised impairment losses.

(g) Segment Information (Continued)

Segment analysis for the nine months ended 30 September 2022 is set out below:

	Plantation RM'000	Property RM'000	AgTech RM'000	Downstream Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue							
- External	1,230,970	74,219	683	1,092,723	-	-	2,398,595
- Inter segment	617,002	-	10,372	-	-	(627,374)	-
Total Revenue	<u>1,847,972</u>	<u>74,219</u>	<u>11,055</u>	<u>1,092,723</u>	<u>-</u>	<u>(627,374)</u>	<u>2,398,595</u>
Adjusted EBITDA	780,043	21,598	(2,423)	35,144	17,781	-	852,143
Net surplus arising from government acquisition	738	-	-	-	-	-	738
Assets written off & others	(780)	1	(14)	(61)	-	-	(854)
	<u>780,001</u>	<u>21,599</u>	<u>(2,437)</u>	<u>35,083</u>	<u>17,781</u>	<u>-</u>	<u>852,027</u>
Depreciation and amortisation	(198,351)	(724)	(1,451)	(9,432)	-	-	(209,958)
Share of results in joint ventures and associates	(413)	30,685	-	-	20	-	30,292
	<u>581,237</u>	<u>51,560</u>	<u>(3,888)</u>	<u>25,651</u>	<u>17,801</u>	<u>-</u>	<u>672,361</u>
Interest income							27,948
Finance cost							(78,483)
Profit before taxation							<u>621,826</u>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM/IDR 0.0297	RM -	RM -	RM -	RM -		
Assets							
Segment assets	6,269,649	515,823	35,339	453,817	3,346	-	7,277,974
Joint ventures	-	275,557	45,000	-	-	-	320,557
Associates	11,943	44	-	-	(146)	-	11,841
Assets classified as held for sale	-	2,226	-	-	-	-	2,226
	<u>6,281,592</u>	<u>793,650</u>	<u>80,339</u>	<u>453,817</u>	<u>3,200</u>	<u>-</u>	<u>7,612,598</u>
Interest bearing instruments							1,470,182
Deferred tax assets							61,125
Tax recoverable							12,509
Total assets							<u>9,156,414</u>
Liabilities							
Segment liabilities	484,363	127,105	8,302	21,764	594	-	642,128
Interest bearing instruments							2,511,298
Deferred tax liabilities							445,328
Taxation							61,644
Total liabilities							<u>3,660,398</u>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM/IDR 0.0304	RM -	RM -	RM -	RM -		

(h) Property, Plant and Equipment

During the nine months ended 30 September 2022, acquisitions and disposals of property, plant and equipment by the Group were RM272.1 million and RM0.2 million respectively.

(i) Material Events Subsequent to the End of Financial Year

There were no material events subsequent to the end of the nine months ended 30 September 2022 that have not been reflected in this interim financial report.

(j) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the nine months ended 30 September 2022.

(k) Changes in Contingent Liabilities or Contingent Assets

There were no significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2021.

(l) Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 30 September 2022 are as follows:

	RM'000
Contracted	185,056
Not contracted	1,437,336
	<u>1,622,392</u>
Analysed as follows:	
- Property, plant and equipment	1,505,580
- Right-of-use assets	116,723
- Intangible assets	89
	<u>1,622,392</u>

(m) Significant Related Party Transactions

Significant related party transactions which were entered into on agreed terms and prices for the nine months ended 30 September 2022 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2021 and the approved shareholders' mandates for recurrent related party transactions.

	Current Quarter 3Q 2022 RM'000	Current Financial Year-to- Date RM'000
(i) Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad ("GENT").	333	997
(ii) Letting of office space and provision of related services by Oakwood Sdn Bhd.	639	1,916
(iii) Provision of information technology consultancy, development, implementation, support and maintenance service by Genting Malaysia Berhad ("GENM").	703	1,671
(iv) Provision of management services to Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd by Genting Awanpura Sdn Bhd.	345	958
(v) Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	343,814	794,569
(vi) 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.	366	1,015
(vii) Provision of electricity services by Genting Utilities & Services Sdn Bhd, a subsidiary of GENM, to Genting Highlands Premium Outlets Sdn Bhd.	63	302
(viii) Acquisition of a subsidiary from Genting Development Sdn Bhd, a company related to certain directors of the Company.	-	3,750

(n) Fair Value of Financial Instruments

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- 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).

As at 30 September 2022, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'000	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss	-	-	4,336	4,336
Financial assets at fair value through other comprehensive income	3,251	-	6,951	10,202
Derivative financial instruments	-	15,664	-	15,664
	<u>3,251</u>	<u>15,664</u>	<u>11,287</u>	<u>30,202</u>
Financial liabilities				
Derivative financial instruments	-	3,535	-	3,535

(n) Fair Value of Financial Instruments (Continued)

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the previous financial year ended 31 December 2021.

The following table presents the changes in financial instruments classified within Level 3:

	RM'000
As at 1 January 2022	9,980
Interest income	175
Foreign exchange differences	<u>1,132</u>
As at 30 September 2022	<u>11,287</u>

There have been no transfers between the levels of the fair value hierarchy during the nine months ended 30 September 2022.

**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES - THIRD QUARTER ENDED
30 SEPTEMBER 2022**

(II) Compliance with Appendix 9(B) of Bursa Securities Listing Requirements

(1) Performance Analysis

The results of the Group are tabulated below:

	CURRENT QUARTER				FINANCIAL YEAR-TO-DATE			
	2022 RM'Mil	2021 RM'Mil	+/- RM'Mil	+/- %	3Q 2022 RM'Mil	3Q 2021 RM'Mil	+/- RM'Mil	+/- %
Revenue								
Plantation	550.1	525.4	+24.7	+5	1,848.0	1,395.7	+452.3	+32
Property	24.5	16.5	+8.0	+48	74.2	71.1	+3.1	+4
AgTech	4.1	1.2	+2.9	>100	11.1	2.8	+8.3	>100
Downstream Manufacturing	438.7	383.9	+54.8	+14	1,092.7	1,059.4	+33.3	+3
	1,017.4	927.0	+90.4	+10	3,026.0	2,529.0	+497.0	+20
Inter segment	(195.0)	(194.2)	-0.8	-	(627.4)	(469.5)	-157.9	-34
Revenue - external	822.4	732.8	+89.6	+12	2,398.6	2,059.5	+339.1	+16
Profit before tax								
Plantation	161.1	234.3	-73.2	-31	780.0	621.8	+158.2	+25
Property	11.0	0.8	+10.2	>100	21.6	15.7	+5.9	+38
AgTech	(1.7)	(0.7)	-1.0	>100	(2.4)	(2.1)	-0.3	-14
Downstream Manufacturing	7.8	25.4	-17.6	-69	35.1	43.5	-8.4	-19
Others	8.1	3.5	+4.6	>100	17.8	12.3	+5.5	+45
Adjusted EBITDA	186.3	263.3	-77.0	-29	852.1	691.2	+160.9	+23
Impairment losses	-	(14.0)	+14.0	-	-	(31.0)	+31.0	-
Net surplus arising from government acquisition	-	-	-	-	0.7	-	+0.7	-
Assets written off and others	(0.1)	(0.3)	+0.2	+67	(0.8)	(1.3)	+0.5	+38
EBITDA	186.2	249.0	-62.8	-25	852.0	658.9	+193.1	+29
Depreciation and amortisation	(70.7)	(64.5)	-6.2	-10	(210.0)	(187.2)	-22.8	-12
Interest income	12.8	3.6	+9.2	>100	28.0	12.7	+15.3	>100
Finance cost	(29.1)	(23.2)	-5.9	-25	(78.5)	(69.9)	-8.6	-12
Share of results in joint ventures and associates	6.9	1.4	+5.5	>100	30.3	8.7	+21.6	>100
Profit before tax	106.1	166.3	-60.2	-36	621.8	423.2	+198.6	+47

(1) **Performance Analysis (Continued)**

The Group recorded higher year-on-year revenue for the quarter ended 30 September 2022 ("3Q 2022") mainly buoyed by higher sales volume of the Plantation segment and higher pricing of the Downstream Manufacturing segment's products. Meanwhile, the Group's revenue for the first nine months of the year ("YTD 2022") was similarly higher year-on-year, underpinned by stronger palm products prices which eclipsed the impact of lower sales volume of both Plantation and Downstream Manufacturing segments.

Fresh fruit bunch ("FFB") production in 3Q 2022 was comparable year-on-year as Indonesia recorded better harvest backed by favourable age profile and higher harvesting area, which compensated for the lower output in Malaysia due to its replanting activities. However, FFB production for YTD 2022 declined year-on-year owing to persistently wet weather which affected harvesting and logistic activities during early part of the year.

Crude palm oil ("CPO") prices declined sharply when Indonesia lifted its export ban in May 2022 that resulted in mounting stockpile. Consequently, CPO price settled at a 22-month low of circa RM3,300/mt by the end of the quarter. Accordingly, the Group achieved lower year-on-year average CPO price for 3Q 2022. Nevertheless, the Group's achieved CPO price for YTD 2022 was higher year-on-year due to historical high CPO prices in the first half of 2022. On the other hand, PK prices registered by the Group were similarly lower for 3Q 2022 and higher for YTD 2022, tracking the movement in CPO prices.

	Current Quarter			Year-To-Date		
	2022	2021	Change %	2022	2021	Change %
Average Selling Price/tonne (RM)						
○ Crude Palm Oil	3,368	3,502	-4	4,277	3,246	+32
○ Palm Kernel	2,003	2,220	-10	3,093	2,284	+35
Production (MT'000)						
○ Fresh Fruit Bunches	528	528	-	1,458	1,502	-3

Despite higher revenue, the Plantation segment's EBITDA for 3Q 2022 declined year-on-year on account of higher production cost. Nevertheless, EBITDA for YTD 2022 was higher year-on-year on the back of higher palm product prices.

EBITDA for the Property segment for 3Q 2022 and YTD 2022 improved year-on-year in tandem with higher revenue.

Notwithstanding higher revenue for 3Q 2022 and YTD 2022, the AgTech segment's losses was higher year-on-year owing to higher research and development expenditure.

EBITDA for the Downstream Manufacturing segment for 3Q 2022 and YTD 2022 was lower year-on-year attributable to lower sales volume.

Changes in the "Others" category mainly reflect the impact of changes in foreign currency translation position of the Group's US Dollar denominated cash reserves and borrowings arising from foreign exchange fluctuations.

(2) **Material Changes in Profit before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

	3Q 2022 RM'Mil	2Q 2022 RM'Mil	+/- RM'Mil	+/- %
Revenue				
Plantation	550.1	732.3	-182.2	-25
Property	24.5	33.2	-8.7	-26
AgTech	4.1	3.9	+0.2	+5
Downstream manufacturing	438.7	501.3	-62.6	-12
	1,017.4	1,270.7	-253.3	-20
Inter segment	(195.0)	(224.9)	+29.9	+13
Revenue – external	822.4	1,045.8	-223.4	-21
Profit before tax				
Plantation	161.1	369.0	-207.9	-56
Property	11.0	9.0	+2.0	+22
AgTech	(1.7)	(0.6)	-1.1	>100
Downstream manufacturing	7.8	23.6	-15.8	-67
Others	8.1	8.2	-0.1	-1
Adjusted EBITDA	186.3	409.2	-222.9	-54
Net surplus arising from government acquisition	-	0.7	-0.7	-
Assets written off and others	(0.1)	(0.3)	+0.2	+67
EBITDA	186.2	409.6	-223.4	-55
Depreciation and amortisation	(70.7)	(69.8)	-0.9	-1
Interest income	12.8	7.2	+5.6	+78
Finance cost	(29.1)	(26.3)	-2.8	-11
Share of results in joint ventures and associates	6.9	13.4	-6.5	-49
Profit before tax	106.1	334.1	-228.0	-68

Profit before tax for 3Q 2022 declined significantly against the immediate preceding quarter, mainly due to weaker palm product prices and higher production cost of the Plantation segment.

	3Q 2022	2Q 2022	Change %
Average Selling Price/tonne (RM)			
○ Crude Palm Oil	3,368	4,907	-31
○ Palm Kernel	2,003	3,484	-43
Production (MT'000)			
○ Fresh Fruit Bunches	528	493	+7

(3) **Prospects**

The Group's prospects for the remaining months of 2022 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.

The Group expects palm oil prices for the remaining part of the year to be supported by its current attractive discount against other edible oils and gas oil, the normalising of Indonesia's stockpile, impending increase of Indonesia's biodiesel mandate and anticipation of low FFB production ahead of a third consecutive year of wet weather. However, bumper harvest of soybean and rapeseed for the current season and the looming economic turmoil may weaken the support on palm oil prices.

The Group's FFB production in Indonesia is expected to improve with its favourable age profile and higher harvesting area but largely moderated by the current wet weather. Malaysian operations on the other hand may record a setback as it continues with its replanting activities. Taking into consideration of the above, the Group's FFB production is expected to be comparable to the level attained in 2021.

For the Property segment, the Group will continue to offer products which cater to a broader market segment. Meanwhile, the Premium Outlets® has seen footfall and tenants' sales recovering to pre-pandemic levels.

The AgTech segment will continue to unlock value by leveraging on new technologies to augment the development of optimised genomics-based next generation planting materials and biological solutions for plant and soil health to improve yields.

With Indonesian stockpile returning to normalcy and reimplementations of the export levy in November 2022, the Downstream Manufacturing segment is expected to see recovery in its sales volume.

(4) **Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

(5) **Taxation**

Tax charge for the current quarter and nine months ended 30 September 2022 are set out below:

	Current Quarter 3Q 2022 RM'000	Current Financial Year-To-Date RM'000
Current taxation:		
Malaysian income tax charge	11,523	96,796
Real property gains tax	1,865	1,865
Foreign income tax (credit)/charge	(608)	22,622
	<u>12,780</u>	<u>121,283</u>
Deferred tax charge	18,281	49,486
	<u>31,061</u>	<u>170,769</u>
Prior year's taxation:		
Income tax underprovided	691	844
	<u>31,752</u>	<u>171,613</u>

The effective tax rate for the current quarter and nine months ended 30 September 2022 were higher than the Malaysian statutory tax rate mainly due to expenses not deductible for tax purposes, tax losses of certain subsidiaries where deferred tax assets have not been recognised and the one-off Prosperity Tax of 33% for chargeable income above RM100 million (i.e. Cukai Makmur) instead of 24%. This was partially offset by differences in tax regime.

(6) Profit before taxation

Profit before taxation has been determined after inclusion of the following charges and credits:

	Current Quarter 3Q 2022 RM'000	Current Financial Year-To- Date RM'000
Charges:		
Finance cost	29,122	78,483
Depreciation and amortisation	70,674	209,958
Property, plant and equipment written off	282	1,055
Write-down on land held for property development	-	364
Credits:		
Interest income	12,789	27,948
Deferred income recognised for government grant	29	81
Net surplus arising from government acquisition	-	738
Gain on disposal of property, plant and equipment	94	201
Gain on disposal of investment property	5,720	5,720
Net foreign exchange differences	8,093	17,646

Other than the above, there were no provision for and write-off of receivables, gain or loss on disposal of quoted investments and gain or loss on derivatives for the current quarter and nine months ended 30 September 2022.

(7) Status of Corporate Proposals Announced

There was no corporate proposals announced but not completed as at 16 November 2022.

(8) Group Borrowings and Debt Securities

The details of the Group's borrowings and debts securities as at 30 September 2022 are set out below:

	As at 30/09/2022			As at 31/12/2021	
	Secured/ Unsecured	Foreign Currency 'million	RM Equivalent '000	RM Equivalent '000	
Short term borrowings	Secured	USD	48.7	225,822	166,992
	Secured	RM		20,485	14,912
	Unsecured	RM		136,516	163,228
				382,823	345,132
Long term borrowings	Secured	USD	231.4	1,072,310	1,103,830
	Secured	RM		56,996	69,144
	Unsecured	RM		999,169	998,937
				2,128,475	2,171,911
Total borrowings	Secured	USD	280.1	1,298,132	1,270,822
	Secured	RM		77,481	84,056
	Unsecured	RM		1,135,685	1,162,165
				2,511,298	2,517,043

(9) Outstanding Derivatives

As at 30 September 2022, the maturity analysis of the outstanding derivatives of the Group are summarised as follows:

Types of Derivative	Contract/Notional Value RM'000	Net Fair Value Assets/(Liabilities) RM'000
<u>Interest Rate Swaps</u>		
USD	185,360	
- Less than 1 year		5,316
- 1 year to 2 years		2,262
<u>Forward Foreign Currency Exchange Contracts</u>		
USD	130,253	
- Less than 1 year		(3,535)
<u>Commodity Futures Contracts</u>		
RM	83,395	
- Less than 1 year		8,086

There is no significant change for the financial derivatives in respect of the following since the previous financial year ended 31 December 2021:

- (a) the credit risk, market risk and liquidity risk associated with those financial derivatives;
- (b) the cash requirements of the financial derivatives; and
- (c) the policy in place for mitigating or controlling the risks associated with those financial derivatives.

(10) Fair Value Changes of Financial Liabilities

As at 30 September 2022, the Group does not have any financial liabilities measured at fair value through profit or loss.

(11) Changes in Material Litigation

There are no pending material litigations as at 16 November 2022.

(12) Dividend Proposed or Declared

- (a) No dividend has been proposed or declared for the current quarter ended 30 September 2022.
- (b) An interim single-tier dividend of 15.0 sen per ordinary share in respect of the financial year ending 31 December 2022 was paid on 26 September 2022.

(13) Earnings per Share

	Current Quarter 3Q 2022	Current Financial Year-To-Date
Basic and diluted earnings per share		
Profit for the financial period attributable to equity holders of the Company (<i>RM'000</i>)	<u>75,485</u>	<u>415,563</u>
Weighted average number of ordinary shares in issue (<i>'000</i>)	<u>897,198</u>	<u>897,198</u>
Basic earnings per share (<i>sen</i>)	<u>8.41</u>	<u>46.32</u>

The Group has no dilutive potential ordinary shares and therefore the diluted earnings per share is the same as the basic earnings per share.

(14) Disclosure of Audit Report Qualification and Status of Matters Raised

The audit report of the Group's annual financial statements for the financial year ended 31 December 2021 did not contain any qualification.

(15) Approval of Interim Financial Statements

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 23 November 2022.