



Plantations

BOUSTEAD PLANTATIONS BERHAD^{1245-M}
(A member of Boustead Group)

NEWS RELEASE

Boustead Plantations Delivers Record Earnings

PETALING JAYA, April 12, 2018 – Boustead Plantations Berhad (BPB) delivered a sterling performance for its financial year ended 31 December 2017, despite challenging market conditions. As it maintains its momentum and strengthens its core business, the Group is positive on the year ahead.

The Group registered an improved profit after tax of RM662 million for the year, compared with RM216 million in the previous fiscal year. Profit before tax increased to RM733 million, a substantial leap of 165% from last year, while revenue grew to RM760 million.

This was mainly driven by gains on the disposal of lands in Seberang Perai, Pulau Pinang. Stronger operational profit also contributed to the Group's performance, supported by better crop production and higher crude palm oil prices.

The Group is highly committed towards enhancing shareholder value. In line with this, total dividends of 19.5 sen per share inclusive of a special dividend of 7 sen per share have been paid out to shareholders. This represents a total payout of RM312 million and a dividend yield of 11.8% based on the closing price of the year.

During the Group's Annual General Meeting, YBhg Tan Sri Dato' Seri Lodin Wok Kamaruddin, Vice Chairman, BPB, said, "Our solid foundation has enabled us to deliver another strong year. As we move ahead, we are focused on expanding our land bank with the proposed acquisition of sizeable plantation land comprising 11,600 hectares (ha). Located in close proximity to our existing estates, this is indeed an attractive opportunity for the Group to expand our total land bank by 14% to 93,400 ha, as well as benefit from greater economies of scale."

In line with this and after obtaining approval at its Extraordinary General Meeting today, BPB expects to finalise the proposed acquisition of 11,600 ha of land in Sugut, Sabah, for a total cash consideration of RM750 million by mid-May 2018.

YBhg Tan Sri Dato' Seri Lodin added, "This will certainly bode well for the Group's long-term prospects. We remain committed to unlocking value and ensuring effective and more efficient usage of our land bank in order to generate sustained earnings and continue delivering value for our loyal shareholders."

BPB also expects to complete the proposed bonus issue of 640 million new bonus shares after obtaining approval at today's Extraordinary General Meeting by early May 2018. This proposed bonus issue is on the basis of two bonus shares for every five existing BPB shares held by shareholders on the register as per an entitlement date that will be determined later. This will enable the Group to enhance the marketability and trading liquidity of BPB by way of a larger capital base, as well as provide loyal shareholders with the opportunity for greater participation in the equity of BPB.

"Building on our strong fundamentals and the strategic growth plans we have in place, we are confident that we will be able to drive the Group forward in the year ahead," concluded YBhg Tan Sri Dato' Seri Lodin.

Forward looking statements

This release may contain certain forward-looking statements with respect to the financial conditions, results of operations and business of the Group and certain plans and objectives of Boustead Plantations Berhad with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

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