



## Plantations

**BOUSTEAD PLANTATIONS BERHAD**<sup>1245-M</sup>  
*(A member of Boustead Group)*

### ***NEWS RELEASE***

#### **Boustead Plantations Berhad Posts Higher Q3 PAT of RM14 Million**

#### **KEY HIGHLIGHTS**

- Profit after tax (PAT) was higher at RM14 million for the third quarter of FY2023.
- PAT and profit before tax improved by over 100% from the immediate preceding quarter.
- Revenue came in at RM203 million for the third quarter of FY2023.

**KUALA LUMPUR, November 22, 2023** – Boustead Plantations Berhad (BPlant) recorded a profit after taxation and zakat (PAT) of RM14 million in its third quarter ended 30 September 2023, a significant improvement compared with a loss of RM5 million in the previous year's corresponding quarter. Profit before taxation and zakat (PBT) grew to RM21 million, while revenue came in at RM203 million.

In comparison with the second quarter, the third quarter showed a significant improvement, with more than a 100% increase in both PAT and PBT. Previously, these figures showed a loss of RM8 million and RM6 million, respectively.

Average crude palm oil (CPO) price in the third quarter stood at RM3,861 per metric tonne (MT), a decrease of 6% from RM4,089 per MT in the same quarter last year while palm kernel (PK) average price declined by 16% to RM2,101 per MT.

FFB production for the quarter was 218,130 MT, a 4% reduction from 227,335 MT in the same quarter last year. Nevertheless, yield per hectare (Ha) improved to 3.6 MT per Ha, compared with 3.4 MT per Ha in last year's corresponding quarter due to a reduction in past prime mature areas as a result of ongoing replanting activities. The oil extraction rate (OER) also increased to 21.0% from 20.5% in the same quarter last year.

BPlant Acting Chief Executive Officer, Fahmy Ismail, said that amidst challenging conditions, the Group was able to deliver a stronger performance in the quarter under review as a result of improved OER, reduced operating costs and the favourable impact of FFB valuation.

“The increase in output was also attributable to better weather conditions coupled with the return of a higher number of foreign workers. However, this may be moderated moving forward due to seasonal fluctuations and the prevalence of frequent intermittent rainfall.”

“Looking ahead to 2024, despite the El Niño weather phenomenon, Malaysia's palm oil production is projected to rise on the back of improved workforce and increasing maturity of palm trees available for harvesting. The potential impact of dry weather conditions associated with El Niño on Malaysian palm trees is also expected to be relatively mild with the arrival of the monsoon season.”

“Building on our momentum, the Group is committed to continue strengthening our foundation through enhancing cost optimisation and driving productivity by scaling up mechanisation, in addition to our ongoing replanting programme to replace older and less productive oil palms. We are optimistic that these strategic plans will enable us to weather through the potential downside in the current market, while propelling us towards sustainable long-term growth.”

Boustead Holdings Berhad Group Chief Executive Officer, Izaddeen Daud, said, “The recorded turnaround in the quarter under review is a testament to the Group’s relentless commitment to maximising shareholder value. Despite anticipated challenges, BPlant is currently moving on the right trajectory by focusing on operational improvements to enhance its long-term prospects.”

#### **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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