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TH Plantations' 1Q20 net loss up to RM11.5m

by TMR

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TH PLANTATIONS Bhd's net loss widened to RM11.53 million in its first quarter ended March 31, 2020 (1Q20), from a net loss of RM8.09 million a year ago, due to unrealised foreign-exchange loss, higher finance cost and fair value change in biological assets.

Revenue remained flat at RM115.55 million against RM115.28 million a year ago.

Fresh fruit bunches (FFB) produced and processed both fell 21%, while crude palm oil (CPO) output and sales dipped by 22% and 25% respectively.

However, average selling price for FFB and CPO improved by 49% and 34% at RM513 per metric tonne (MT) and RM2,580 per MT respectively.

The CPO price for 1Q20 was higher than 1Q19, partly due to the biodiesel mandate in Indonesia, changed from B20 to B30 for 2020, and low production season.

The group said its performance for 2020 will depend on the movement of palm products' prices and the progress of its strategic recovery plan.

The timing to sell certain assets classified as held for sale might be delayed beyond the next 12 months due to Covid-19, the group said in a statement yesterday.

According to its website, TH Plantations' landbank stands close to 101,000ha. It currently operates 32 oil palm estates throughout Malaysia, as well as seven forestry plantations in Sabah.

The company also has over 8,000ha of land in Kalimantan Timur, Indonesia.

TH Plantations also currently operates six palm oil mills with a total milling capacity of 240MT per hour.