



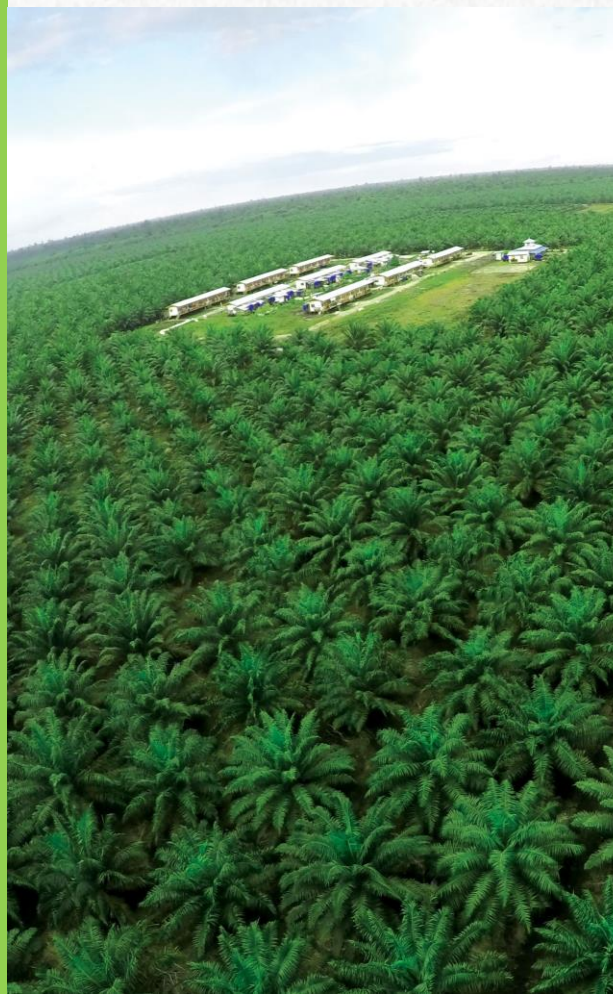
50th ANNUAL GENERAL MEETING

6 May 2024

**PRESENTATION BY
MOHAMED ZAINURIN MOHAMED ZAIN
Chief Executive Officer**



TH PLANTATIONS BERHAD



CONTENTS

1 OVERVIEW

2 FINANCIAL PERFORMANCE

3 OPERATIONAL PERFORMANCE


4 TRANSFORMATION INITIATIVES

5 OUTLOOK & THP 5-Year Strategic Plan AL-FALAH 22/22

6 CONCLUSION

Shareholding FY2023

73.84%



TABUNG HAJI
حي على الفلاح

	MARKET CAP	SHARE PRICE
As at 02/05/2024	RM 570.08 Mil	RM 0.65
31 Dec 2023	RM 433.09 Mil	RM 0.49
31 Dec 2022	RM 441.94 Mil	RM 0.53

26.16%

PUBLIC





TH PLANTATIONS BERHAD

CURRENT BUSINESS MODEL









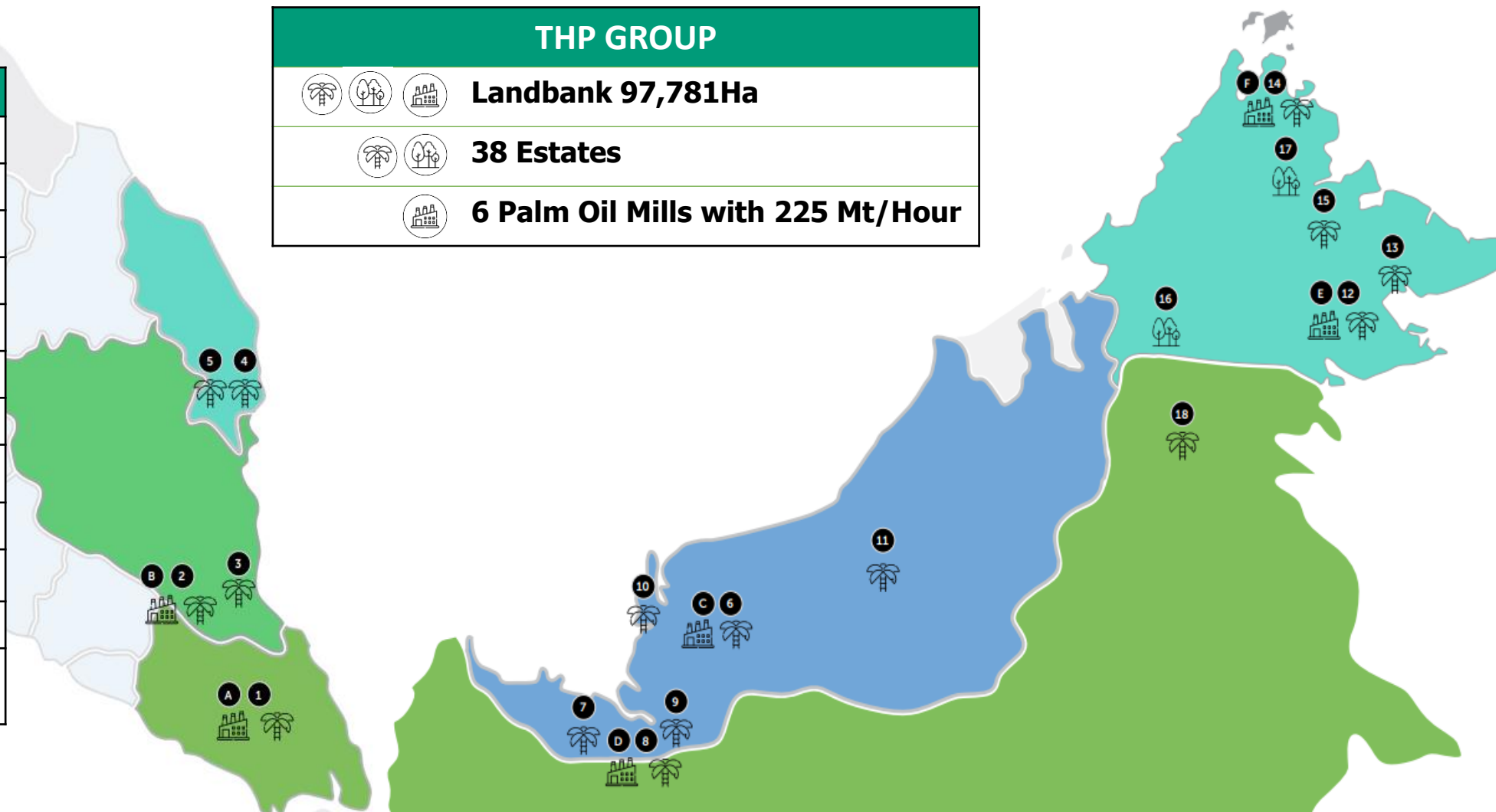
	WORKFORCE	30 Mac 2024
	Executive & Above	261
	Support (Clerical & Non-clerical)	466
	Local & Foreign Labour	5,479
Σ Workforce =		6,206



THP Group	
Σ Subsidiaries = 25	
Σ Workforce = 6,206	
Σ Landbank = 97,781	
Peninsular	13,453 Ha
Sabah	25,643 Ha
Sarawak	51,756 Ha
Indonesia	6,929 Ha
Σ Planted Area = 66,095 Ha	
Oil Palm	55,715 Ha
Rubber & Teak	10,380 Ha
Indicators	
 Oil Palm Plantation	
 Rubber/Teak Plantation	

"Data as of 31st March 2024"

THP GROUP	
  	Landbank 97,781Ha
 	38 Estates
	6 Palm Oil Mills with 225 Mt/Hour



	2022		2023	Variance	
CPO PRODUCTION	154,470 Mt	=	153,576 Mt	Marginal (0.0058%)	CONCLUSION: OPERATIONALLY THP PERFORMED 13-15% BETTER FROM PREVIOUS FY
FFB PRODUCTION	695,824 Mt	↑	787,741 Mt	13%	
YIELD	13.21 Mt/Ha	↑	15.18 Mt/Ha	15%	
AVERAGE CPO PRICE	RM 4,476 /Mt		RM 3,669/Mt	22%	MARKET PRICE PULLED US DOWN
REVENUE	RM 881m		RM 752m	15%	If not because of the declined in CPO Price, THP's will perform better in FY2023
P.A.T	RM 88m		RM 60m	32%	



CONTENTS

1 OVERVIEW

2 FINANCIAL PERFORMANCE

3 OPERATIONAL PERFORMANCE

4 TRANSFORMATION INITIATIVES

**5 OUTLOOK & THP 5-YEAR STRATEGIC
PLAN: AL-FALAH 22/22**

6 CONCLUSION





REVENUE

RM 752.03m

**FY22:
RM 881.26m**



PAT

RM 60.10m

**FY22:
RM 87.94m**



PATAMI

RM 46.62m

**FY22:
RM 68.77m**



**NET DEBT
TO EQUITY
RATIO**

0.58X

**FY22:
0.60X**



DIVIDEND

**2.0 sen
(RM17.68m)**

**FY22:
3.0 sen
(RM26.5m)**

Net Gearing Ratio and Borrowings have reduced.

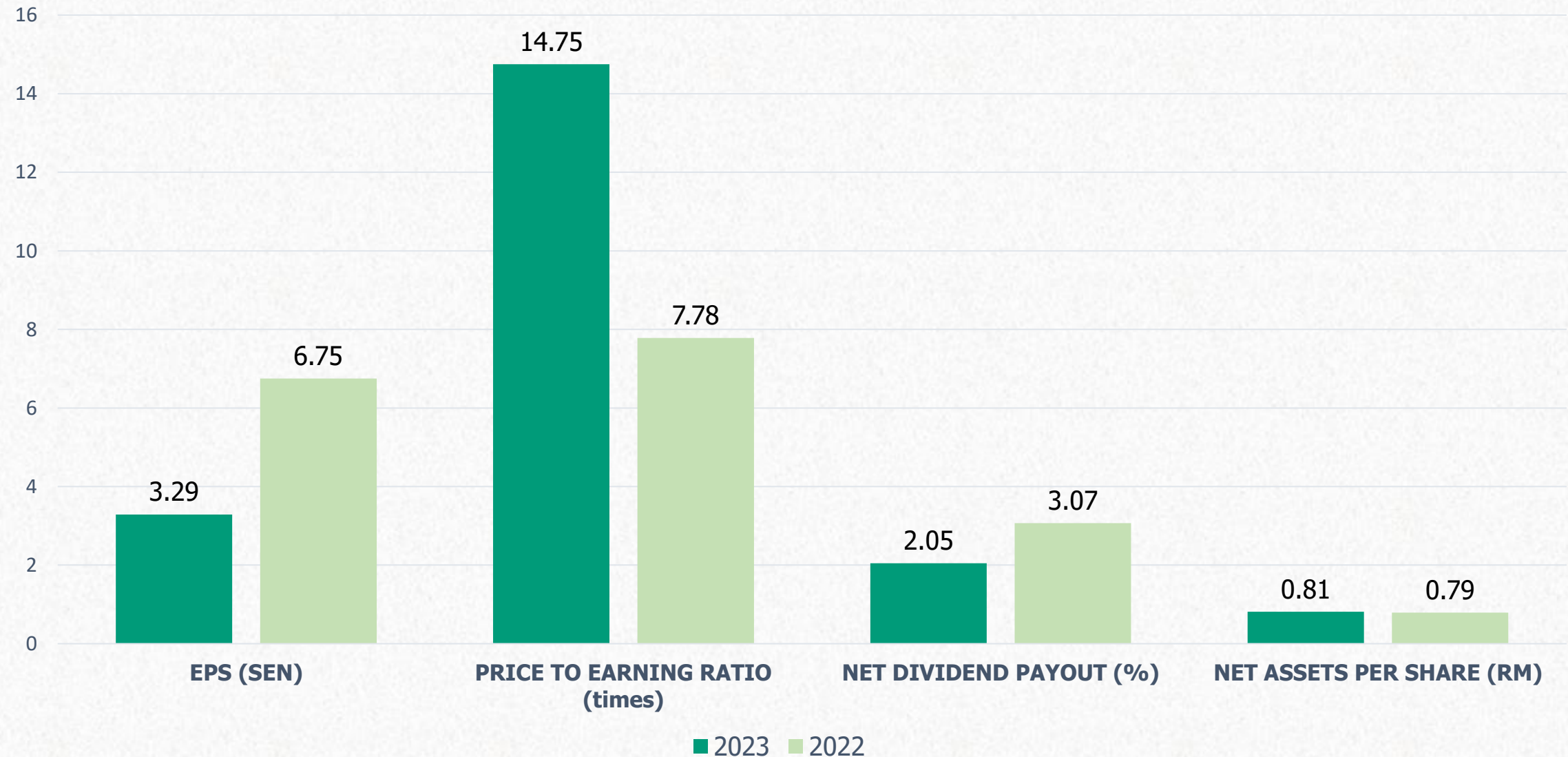
	FY2023	FY2022	YoY	Variance
Net Gearing (times)	0.58	0.60	↓	3.3 % improvement
Borrowings	RM 827mil	RM 856mil	↓	3.5% reduction

FY2023 – THP's generate healthy cash from operation to support its financing activities.





KEY FINANCIAL RATIO





CONTENTS

1 OVERVIEW

2 FINANCIAL PERFORMANCE







3 OPERATIONAL PERFORMANCE

4 TRANSFORMATION INITIATIVES

**5 OUTLOOK & THP 5-YEAR STRATEGIC
PLAN : AL-FALAH 22/22**

6 CONCLUSION



 <p>FFB PRODUCTION</p>	 <p>CPO PRODUCTION</p>	 <p>YIELD</p>	 <p>OER</p>	 <p>KER</p>	 <p>MILL UTILISATION RATE</p>
<p>787,741 Mt</p>	<p>153,576 Mt</p>	<p>15.18 Mt/Ha</p>	<p>19.17%</p>	<p>4.92%</p>	<p>63.40%</p>
<p>FY22: 695,824 Mt</p>	<p>FY22: 154,470 Mt</p>	<p>FY22: 13.21 Mt/Ha</p>	<p>FY22: 19.19%</p>	<p>FY22: 4.79%</p>	<p>FY22: 63.70%</p>

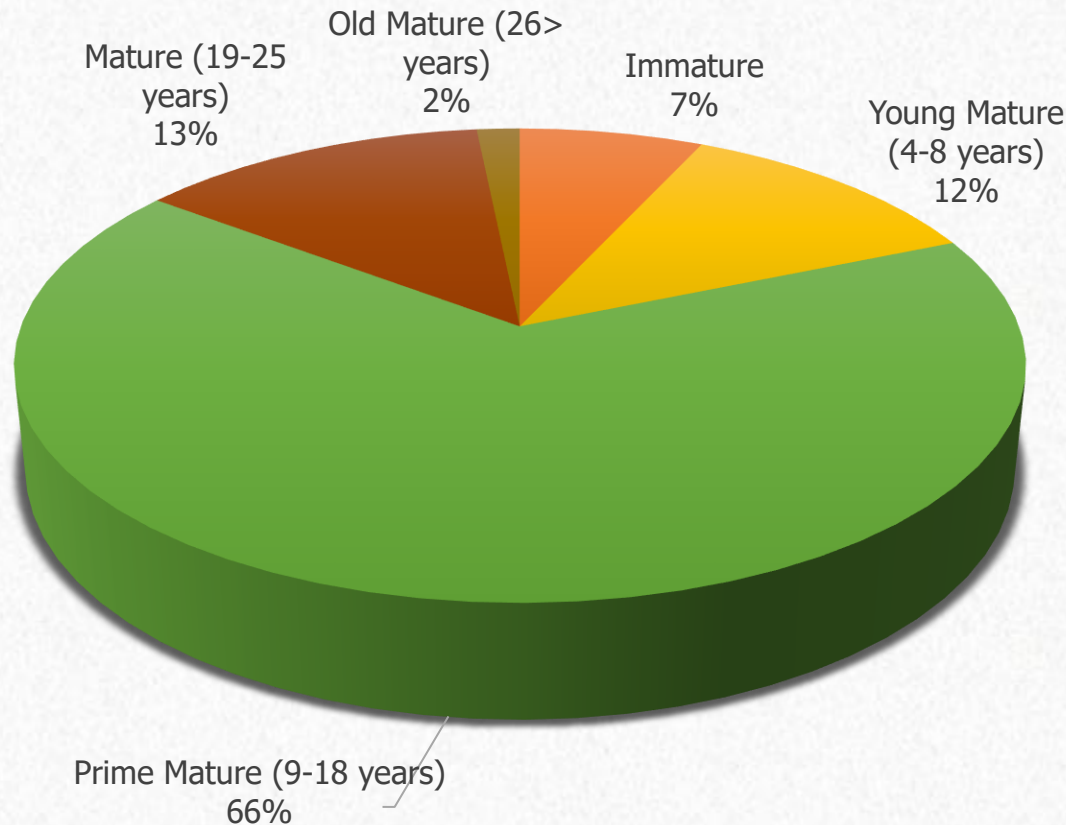


Approximately 68% of the land area is planted.

	MATURE	IMMATURE	IN-COURSE OF PLANTING	PLANTED AREA	OTHERS/ IDLE LANDS	TOTAL LAND BANK
REGION	OIL PALM (Ha)					
Semenanjung	11,637	787	499	12,923	530	13,453
Sabah	6,847	1,474	750	9,071	859	9,930
Sarawak	31,576	-	330	31,906	19,850	51,756
Indonesia	1,815	-	-	1,815	5,114	6,929
Sub Total	51,875	2,261	1,579	55,715	26,353	82,068
	RUBBER & TEAK (Ha)					
Sabah	-	10,380	-	10,380	5,333	15,713
Sub Total	-	10,380	-	10,380	5,333	15,713
Total Land bank	51,875	12,641	1,579	66,095	31,686	97,781
	53%	13%	2%	68%	32%	100%

Approximately 91% of the oil palm is producing fruitlets.
66% is at its prime mature stage. An ideal planted age profile

FY2023



- Immature
- Young Mature (4-8 years)
- Prime Mature (9-18 years)
- Mature (19-25 years)
- Old Mature (26 > years)

OIL PALM AGE PROFILE / HA	FY2023	FY2022	FY2021
Immature	3,840 (7%)	4,296 (8%)	4,910 (8%)
Young Mature (4-8 years)	6,585 (12%)	9,525 (17%)	10,123 (18%)
Prime Mature (9-18 years)	37,076 (66%)	34,685 (61%)	33,693 (59%)
Mature (19-25 years)	7,319 (13%)	7,245 (13%)	7,274 (13%)
Old Mature (26 > years)	895 (2%)	1,201 (2%)	1,380 (2%)
Total Planted Area	55,715 (100%)	56,952 (100%)	57,381 (100%)

1st year harvesting – **1,887.05 ha**
 # 2nd year harvesting – **1,403.43 ha** } **7,319 ha or 13% of mature area**

THP recorded higher FFB yield in Peninsular Malaysia and Sabah compared to MPOB average.

Sarawak estates' consolidation activities has shown good improvements in FFB yield towards closing the gap with MPOB average.

	THP						MPOB					
	FFB Yield		OER (%)		KER (%)		FFB Yield		OER (%)		KER (%)	
	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022
Peninsular Malaysia	18.34	17.82	19.46	19.44	4.79	4.93	16.09	16.41	19.64	19.57	5.21	5.22
Sabah	20.92	17.97	19.88	20.22	4.36	4.18	16.39	15.39	20.40	20.25	4.45	4.47
Sarawak	13.57	10.87	18.54	18.46	5.31	4.92	14.75	14.13	19.83	19.47	4.38	4.35
Average	15.18	13.21	19.17	19.19	4.92	4.79	15.79	15.49	19.86	19.70	4.84	4.86



CONTENTS

1 OVERVIEW

2 FINANCIAL PERFORMANCE

3 OPERATIONAL PERFORMANCE

4 TRANSFORMATION INITIATIVES

**5 OUTLOOK & THP 5-YEAR STRATEGIC
PLAN: AL-FALAH 22/22**

6 CONCLUSION



PROGRAMMES

1

Scheduled Replanting Programme

2

Asset Consolidation & Rehabilitation

3

Increase Fresh Fruit Bunches Purchase

4

Improve Agronomic Input and Quality

5

Effective Manpower Capability & Knowledge

6

Promote Biogas Production

GOVERNANCE PRACTICES

1

Sustainable Practices & Compliance

2

Enhance the Enterprise Risk Management Framework

3

Enhance Policies & Standard Operating procedures

SYSTEMS

1

Optimise Utilisation of Mill By-Products

2

Enhance Use of Technology

3

Expand Mechanisation Initiatives

Scheduled Replanting Programme to ensure optimum oil palm age profile.

Replanting Policy : Maximum 5% of matured area with palms above 25 years of age.
: Maintaining an immature area of approx. 15%

TOTAL REPLANTING AREA :
1,535 Ha



Felling chipping and stacking at Ladang Kota Bahagia, Keratong, Pahang



**Terracing at
Ladang Sungai Mengah,
Keratong, Pahang**



**Ladang Bukit Gold, Lahad Datu,
Sabah**



**Ladang Bukit Belian, Sandakan,
Sabah**





Ladang Bukit Lawiang, Kluang, Johor



Ladang Semarang, Meludam, Sarawak

Strive to improve yields and overall profitability.

- Consolidation and Rehabilitation programme includes upkeep & weeding, improving roads & bridges, soil conservation, pest & disease control, water management and optimal fertiliser application.
- Completed the rehabilitation and consolidation efforts in Peninsular Malaysia, Sabah, and Sarawak in three phases.
- Moving forward, we will primarily focus on routine tasks, with emphasis on sustained efficiency and continuous improvement





A Two-Pronged Strategy: Optimising Mills Capacity & Strategic Partnership Programme with Local Smallholders.

1. Aggressive management in outsourcing and purchasing of external Fresh Fruit Bunches ("FFB") from Local Smallholders at fair price, cash payment terms and lower transportation cost.
2. Increased the number of local suppliers and quantity of FFB purchased.
3. Improved mills capacity and utilisation rate.





**Implemented a fertiliser programme to maximise manuring application.
Maintain a suitable water-table depth.
Retain soft grasses in fields as a natural groundcover.
Ensure optimum number of fronds and pruning.
Maintain good cover crops in immature and young mature areas.**



Increased the efficiency of our workforce by fostering innovation and cultivating a culture of continuous improvement.

- Realigned the Performance Management System.
- Introduced THP Group's One Page Strategy and Management & Monitoring System.
- Increased training programmes and encouraged knowledge sharing practices.



THP GROUP 2023 ONE PAGE STRATEGY
 Focusing on Business Improvements, Strengthening Financial Management, Addressing People Capabilities towards Sustainability of THP Operations.

KEY PERFORMANCE INDICATOR (KPIs)	<p>"Pillars of THP Business Improvement Programs"</p> <p>HARD TARGETS 40%</p> <ul style="list-style-type: none"> Consolidation & Replanting Program FFB Production Volume CPO & PK Volume & Sales Foreign Workers Supply Program Mechanization Program 	<ul style="list-style-type: none"> Mills Improvement Program 3rd Party FFB Purchase Program Recovery Plan Project Corporate Communication Program Establishment of 5 Years Business Plan Salary Benchmarking 	
	<p>"Strengthening Financial, Monitoring & Management"</p> <p>FINANCIAL TARGETS 20%</p> <ul style="list-style-type: none"> Operations within approved budget Cost Savings Campaign Realtime and accurate reporting 	<p>"Enhancing People Capability & Establish THP Core Values"</p> <p>SOFT TARGETS 20%</p> <ul style="list-style-type: none"> Discipline, Attitude & Integrity Training Programmes Participations and Knowledge Sharing 	<p>"Moving towards Pro-active Management and Sustainable Operations"</p> <p>COMPLIANCE TARGETS 20%</p> <ul style="list-style-type: none"> Risk Management Audit Findings & Reply SOPs & Compliances



Commitment to reduce GHG emissions

- Established a joint venture company with Cenergi RE Sdn Bhd for a biogas power plant project.
- This signifies our commitment to reducing GHG emissions in our day-to-day mill operations.
- A quota of 1.2 megawatts plant was approved by the Sustainable Energy Development Authority ("SEDA") to the joint venture company.



MSPO & MSPO SCCS CERTIFICATION

- All of our estates and mills are MSPO and MSPO SCCS certified.
- Kota Bahagia Palm Oil Mill has been certified by International Sustainability & Carbon Certification (ISCC) under ISCC EU: Point of Origin Scope
- Compliance with the ESG standards and practices.



ECONOMIC INITIATIVES



Series of talks were conducted by external speakers, from Malaysian Anti-Corruption Commission ("MACC"), to increase employee awareness.

We introduced a sustainability assessment as part of our pre-qualification process to drive sustainability awareness across our supply chain.



Product Quality & Operational Efficiency

Strategic Partnership Programme with Local Smallholders.



ENVIRONMENT INITIATIVES



Coastal forest and peatlands conservation programme at Gunung Arong Forest Reserve Mersing, Johor.

We initiated High Conservation Value ("HCV") training in collaboration with the Malaysian Palm Oil Green Conservation Foundation ("MPOGCF").



Peatland Management: Maintaining optimum water levels and planting on designated peat area assign for agricultural development.

The installation of rooftop solar panel aim to reduce reliance on fossil fuels and minimize GHG emissions.



SOCIAL INITIATIVES



Enhanced housing conditions for employees.



Conduct Compliance Visits in accordance with OSH Act 1994, to improve existing systems.



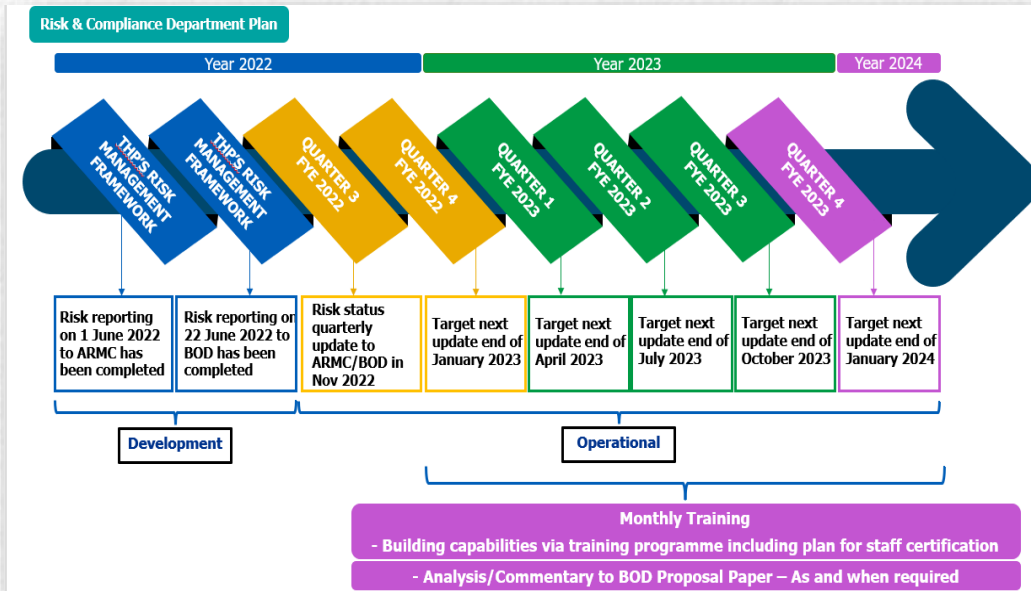
Basic First Aider training at the THP Group Headquarters



Fire Drill at TH Selborn Tower



Enhancement the Enterprise Risk Management Framework



Enhance Policies & Standard Operating Procedures



- A source for renewable energy.
- Used bio waste as fuel for steam production and power generation.
- Substitute for inorganic fertiliser.





Microsoft's Power BI

- Serves as the THP Group's operation analytics dashboard to improve monitoring and tracking of operational performances..



Indoor Digital Media

- The system consists of digital screen HDTV displays and strategically positioned throughout different locations to enhance communication and interaction among various business units and support functions.



In-field mobile applications

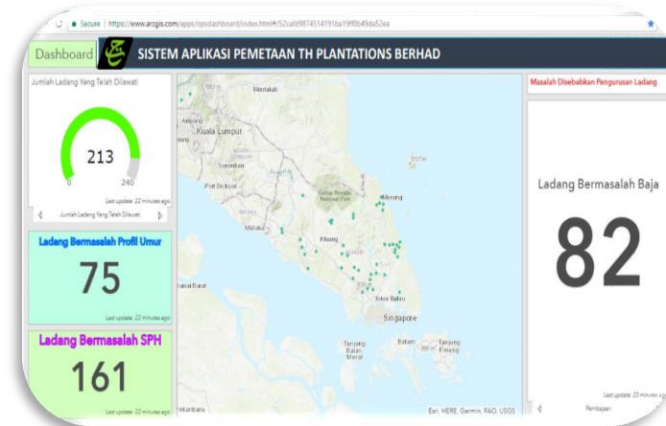
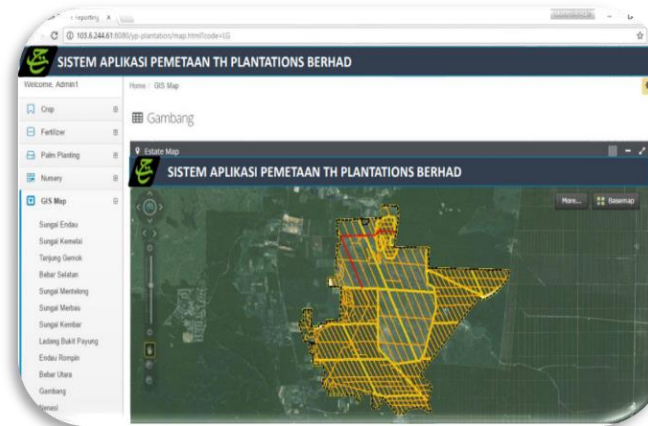
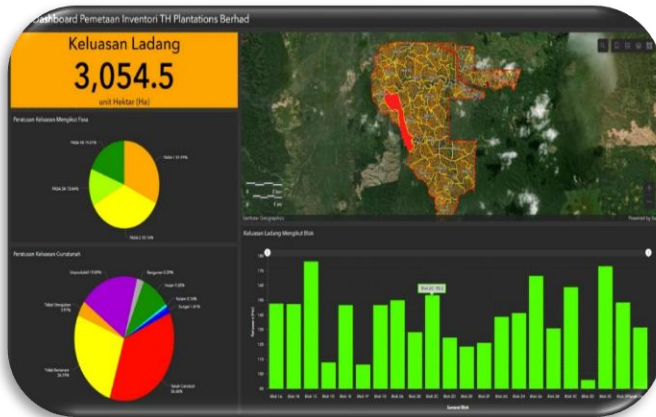
- The tool is used in Sabah remote office to help field employees collect and analyse data efficiently. It provides real-time access to information, streamlines processes, and ultimately aids in better decision-making while employees are on the go.



Drone Technology - Digital Mapping, Pest Data Gathering & Accurate Tree Counting



Mapping and Inventory of Oil Palm Plantations – Tree Counting



Sample Output (Web GIS - Dashboard)



Expand Mechanisation Initiatives to Improve Productivity

Invested approximately RM3.28 million of capex and RM1.0 million on leasing for Motorise Infield collection machineries and Grabber machines.





CONTENTS

1 OVERVIEW

2 FINANCIAL PERFORMANCE

3 OPERATIONAL PERFORMANCE

4 TRANSFORMATION INITIATIVES

**5 OUTLOOK & THP 5-YEAR STRATEGIC
PLAN : AL-FALAH 22/22**

6 CONCLUSION



Demand for Palm Oil is expected to remain strong in the future.

BULLISH FACTORS

- **Weak Ringgit Malaysia against US Dollar** – stimulate demand support
- **Confirmed El Niño effect** – reduced stock and pushing the price on the upside
- **Indonesia Biodiesel Mandate (B35) & Domestic Market Obligation (DMO)** – fully implemented, increased local use and less export



CRITICAL ISSUES

- **Market expectation on higher stock to build up starting from May 2023 onwards in Malaysia**
- **India palm oil import sank to a 27 months low in May 2023** due to cheaper prices of soya oil and sunflower in destination
- **Expected Larger Supply** - due to seasonal peak season starting from May to October 2023



MARKET OUTLOOK 2024

BULLISH FACTORS:

- ❑ **Indonesia's requirement** (Biodiesel Mandate B35 & Domestic Market Obligation) will cap export volumes
- ❑ **Weak Ringgit Malaysia** vs US Dollar
- ❑ **Geo-political uncertainties** (Black Sea & Middle East)

BEARISH FACTORS:

- ❑ **Ample all vegetable oils production** around the world
- ❑ **Low spread between RBD Palm Olein vs Soy Oil** at destinations
- ❑ **World economy growth & inflation situation** (higher cost of food)



THP GROUP'S 5-YEAR STRATEGIC BUSINESS PLAN : AL-FALAH 22/22

AL FALAH 22/22

VISION

Striving for Operational Excellence in a Sustainable Business by Creating Opportunities with Positive Growth & Impact




MISSION

 1	 2	 3	 4
Delivering optimal returns to Shareholders, Practicing Fair Trade and Conducive Working Environment	Continuous commitment on Environmental Demands, Social Engagement whilst upholding high standard of Governance & Integrity	Building a Sustainable Business by Development of Human Capital, Marketing, Technology & Financial Management	Improving operational efficiency by adopting Good Agriculture Practices & Good Manufacturing Practices in achieving and delivering Best Quality Products







CORE VALUES

Teamwork	Responsive	Innovative	Integrity	Professionalism	Quality
----------	------------	------------	-----------	-----------------	---------

STRATEGIC THRUSTS

 1	 2	 3
Strengthening Financial, Monitoring & Management	Proactive Management & Sustainable Operations	Enhancing People Capability

COMPREHENSIVE WORK PLANS ("CWP")

 1	 2	 5
Financial Plan	Estate Performance Improvement Plan	Human Capital Plan
 6	 3	 4
Value Creation Initiative Plan	Mill Performance Improvement Plan	Environmental, Social & Governance Plan



Establishment of Six CWP with well defined targets being the game-changer towards reinventing THP.

6 CWP	<p>1</p> <p>Financial Plan</p>	<p>2</p> <p>Estate Performance Improvement Plan</p>	<p>3</p> <p>Mill Performance Improvement Plan</p>	<p>4</p> <p>Environmental, Social & Governance Plan</p>	<p>5</p> <p>Human Capital Plan</p>	<p>6</p> <p>Value Creation Initiatives Plan</p>
22 Initiatives	5	4	6	3	4	<p>The THP Group will be exploring new business opportunities to broaden its income pool and improve the business margin.</p>
53 Components	12	12	14	7	8	



Ensuring a systematic approach in implementing & tracking the initiatives progress.

AL-FALAH 22/22

- THP's 5-year Strategic Business Plan.



THP's OPS

- THP's One Page Strategy/ Annual Master Plan.

Development of Strategy



COMPHENSIVE WORK PLAN ("CWP")

- Monitored via Al-Falah Tracking Summary ("ATS").
- Deliberated during Management Business Meeting ("MBM") on semi-annual basis.

DEPARTMENT'S OPS

- Monitored via Management Operation Report ("MOR")
- Deliberated during MBM on quarterly basis.

1 Implementation & Tracking

THP's BALANCE SCORECARD

- To be deliberated at Board on semi-annual basis.

2 Reporting





CONTENTS

1 OVERVIEW

2 FINANCIAL PERFORMANCE

3 OPERATIONAL PERFORMANCE

4 TRANSFORMATION INITIATIVES

**5 OUTLOOK & THP 5-YEAR STRATEGIC
PLAN : AL-FALAH 22/22**

6 CONCLUSION



THP Performed Satisfactorily in 2023 despite a challenging operating year.



Positive & Stable Performance is the result of the Transformation Phase.

Improving Operational Efficiency remains key to ensure THP's growth, impact and sustainability.

**THP is embarking on a 5-year Strategic Business Plan (2024 – 2028)
AL-FALAH 22/22**

THP strives to deliver greater long-term value and sustainable returns to Shareholders





Our appreciation to THP's Board Members for their counsel and contribution in developing the 5-year Strategic Business Plan: AL-FALAH 22/22

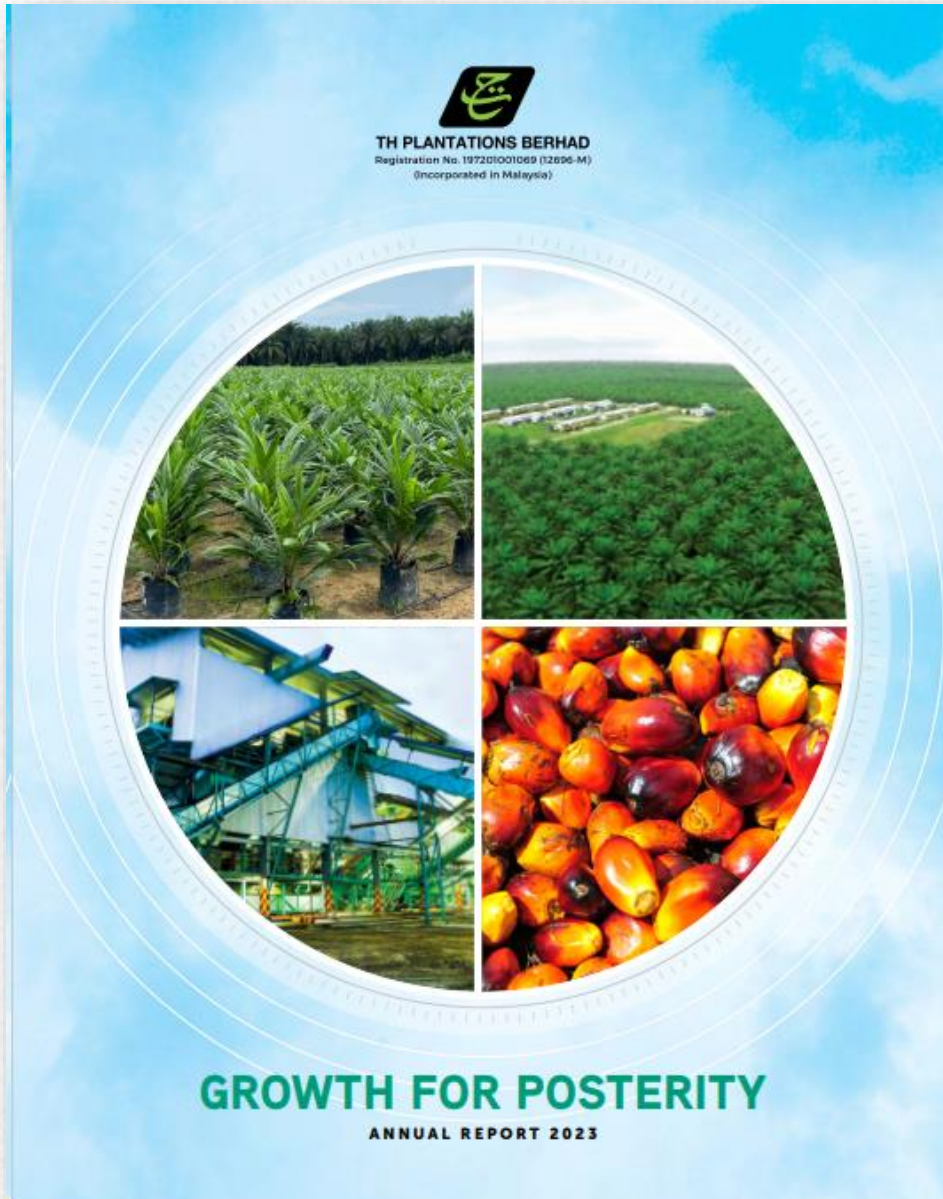


The Board's leadership and valuable inputs played a vital role in completing the Transformation initiatives and achieving positive results



Thank you to all shareholders for your continuous support to THP and we look forward to a better year in 2024

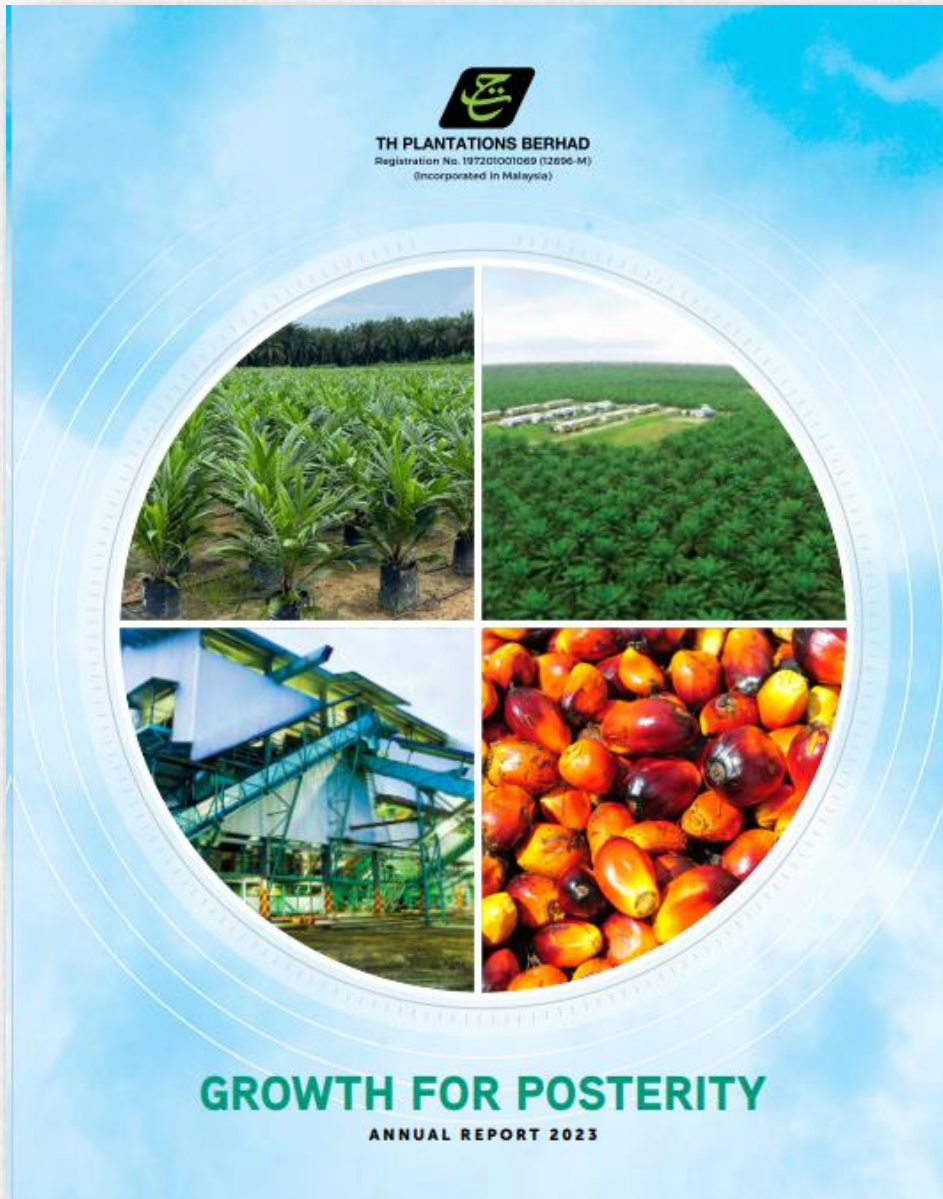




TH PLANTATIONS BERHAD

THANK YOU





QUESTION & ANSWER

