

An aerial photograph of a large dam and reservoir. The dam is a long, straight concrete structure with a series of spillways. Behind the dam is a large reservoir. In the foreground, there is a large building with a blue roof, likely a power station. To the right of the building is a substation with many electrical towers and lines. The surrounding landscape is dry and hilly.

MFCB

MEGA FIRST CORPORATION BERHAD

ANNUAL GENERAL MEETING

24 MAY 2023

An aerial photograph of a large dam and reservoir. The dam is a long, concrete structure with multiple spillways, situated in a dry, hilly landscape. The reservoir is a large body of water, and the surrounding area includes roads, parking lots, and some vegetation. The image is split vertically: the left half shows the dam and reservoir in natural colors, while the right half is a blue-tinted version of the same image, serving as a background for the text.

AGENDA

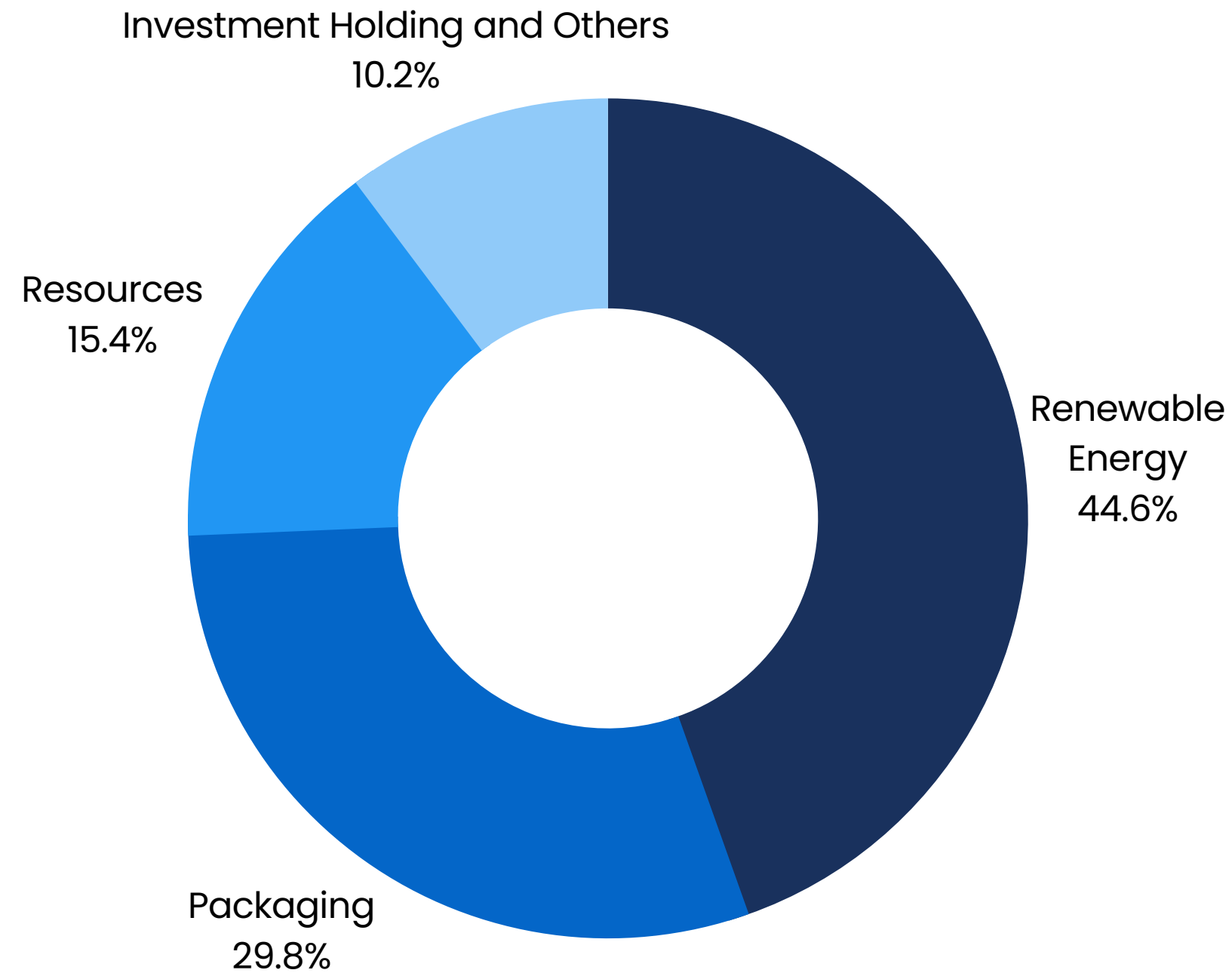
1. FY2022 Review
2. RE Division
3. Packaging Division
4. Resources Division
5. Plantation Update

FY2022 Review

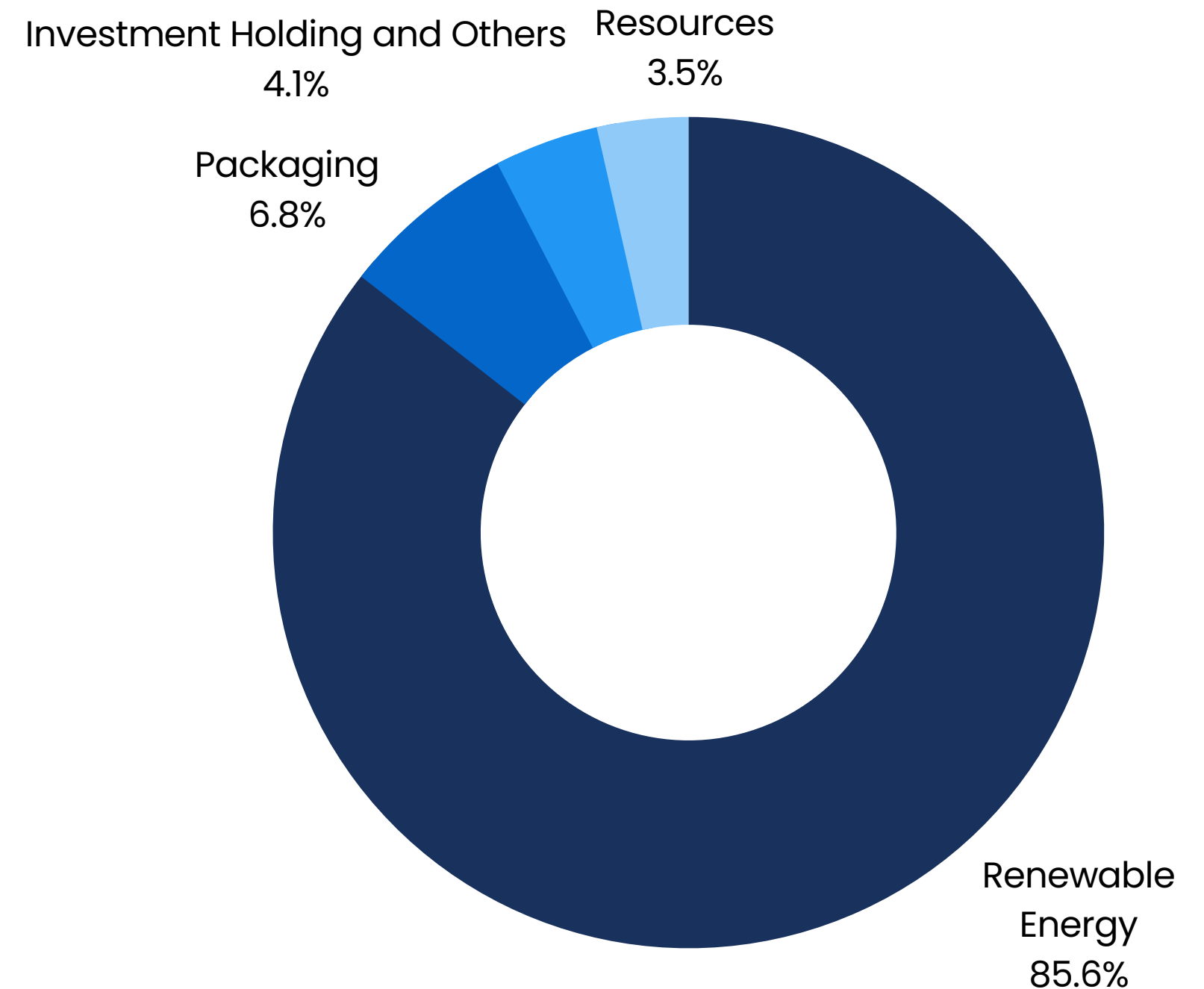


OVERVIEW

FY2022 REVENUE (RM1.3 BIL)



FY2022 PBT (RM490.6 MIL)



REVENUE & EARNINGS BREAKDOWN

Revenue	2022 RM'000	2021 RM'000	Changes	
			RM'000	%
Renewable Energy	596,925	533,864	63,061	11.8
Resources	206,324	154,880	51,444	33.2
Packaging	398,964	208,217	190,747	91.6
Subtotal	1,202,213	896,961	305,252	34.0
Investment Holding & Others	137,422	17,712	119,710	676.0
Total	1,339,635	914,673	424,962	46.5

+46.5%

Revenue

- All divisions reported higher turnover.
- Investment Holding & Others boosted by RM112 million contribution from the restart of Tawau power plant in May 2022.

Profit Before Tax				
Renewable Energy	419,698	385,585	34,113	8.8
Resources	17,385	16,725	660	3.9
Packaging	33,546	22,219	11,327	51.0
Subtotal	470,629	424,529	46,100	10.9
Investment Holding & Others	19,940	115,051	(95,111)	-82.7
Total Profit Before Tax	490,569	539,580	(49,011)	-9.1

+14.3%

PBT (Exclude Bargain Gain)

- All Core Divisions recorded PBT improvement.
- Exclude bargain gain of RM17 million in 2022 and RM125 million in 2021, PBT +14.3% to RM474 million.

REVENUE & EARNINGS ANALYSIS

RE

Revenue: +11.8%

PBT: +8.8%

- **Revenue** +12% due to:
 - 6.2% currency gain.
 - 3.9% volume gain – EAF 94.6% vs. 91.0% in 2021
 - 1% hydro tariff adjustment
 - 58.7% increase in solar energy sales to RM6.4 million
- **PBT** increased on higher hydro-energy sales, partially offset by higher interest expense from rate hike.

PACKAGING

Revenue: +91.6%

PBT: +51.0%

- **Revenue** spurred by full year consolidation of Stenta and 47% surge in Hexachase.
- **PBT** underpinned by full-year Stenta earnings, partly offset by 8% fall in Hexachase where margins were impacted by raw material and other cost increases.

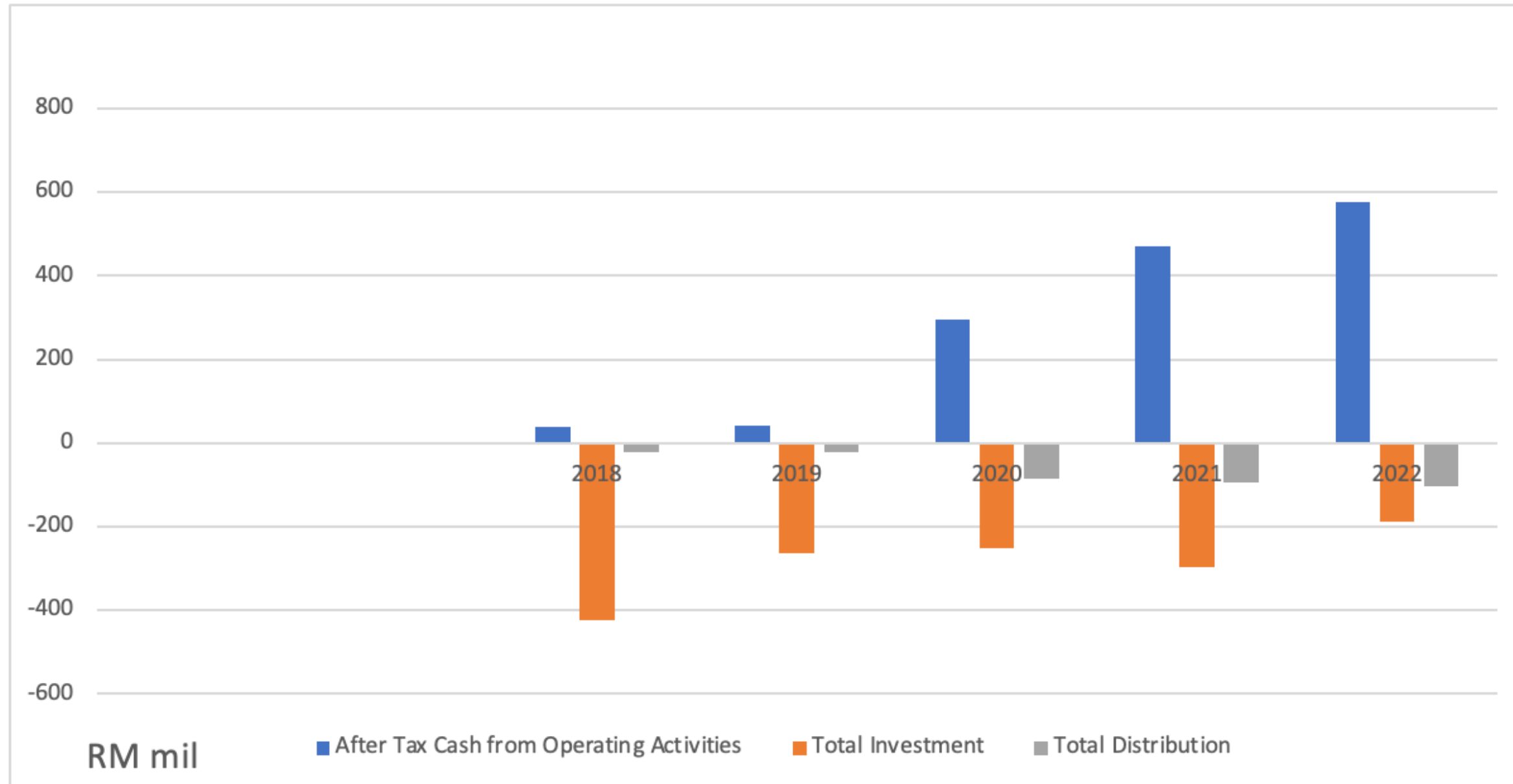
RESOURCES

Revenue: +33.2%

PBT: +3.9%

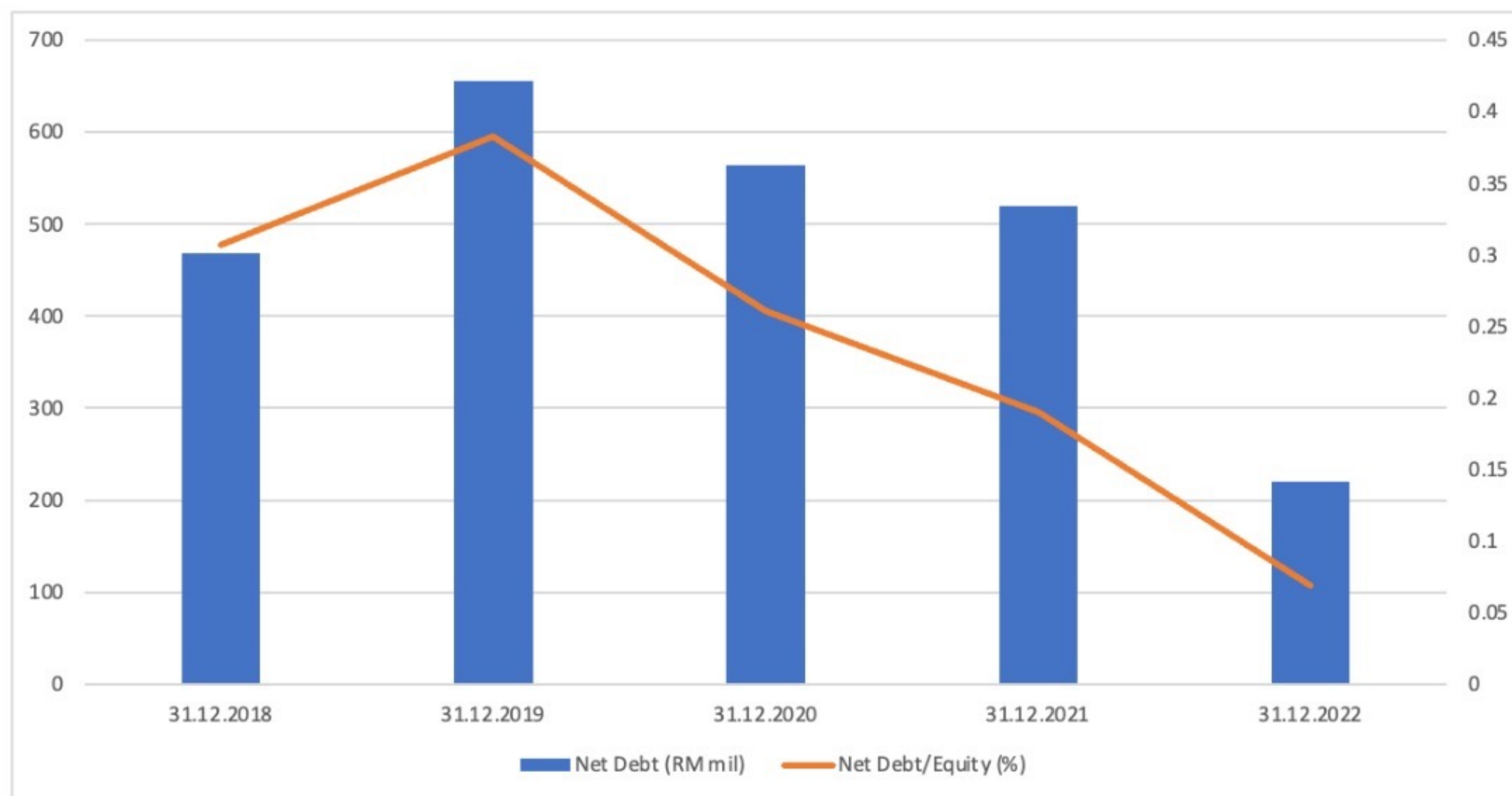
- **Revenue:** Lime products sales volume +15% and ASP +20%.
- **PBT** +3.9%: Higher sales volume and ASP were partially offset by margin squeeze from higher fuel & energy costs.

CASH FLOW ANALYSIS



	2018 (RM mil)	2019 (RM mil)	2020 (RM mil)	2021 (RM mil)	2022 (RM mil)
After Tax Cash from Operating Activities	38.6	41.9	294.5	469.7	575.3
Total Investment	(424.4)	(263.8)	(251.2)	(296.0)	(187.0)
Total Distribution	(23.3)	(20.8)	(83.8)	(95.8)	(102.6)

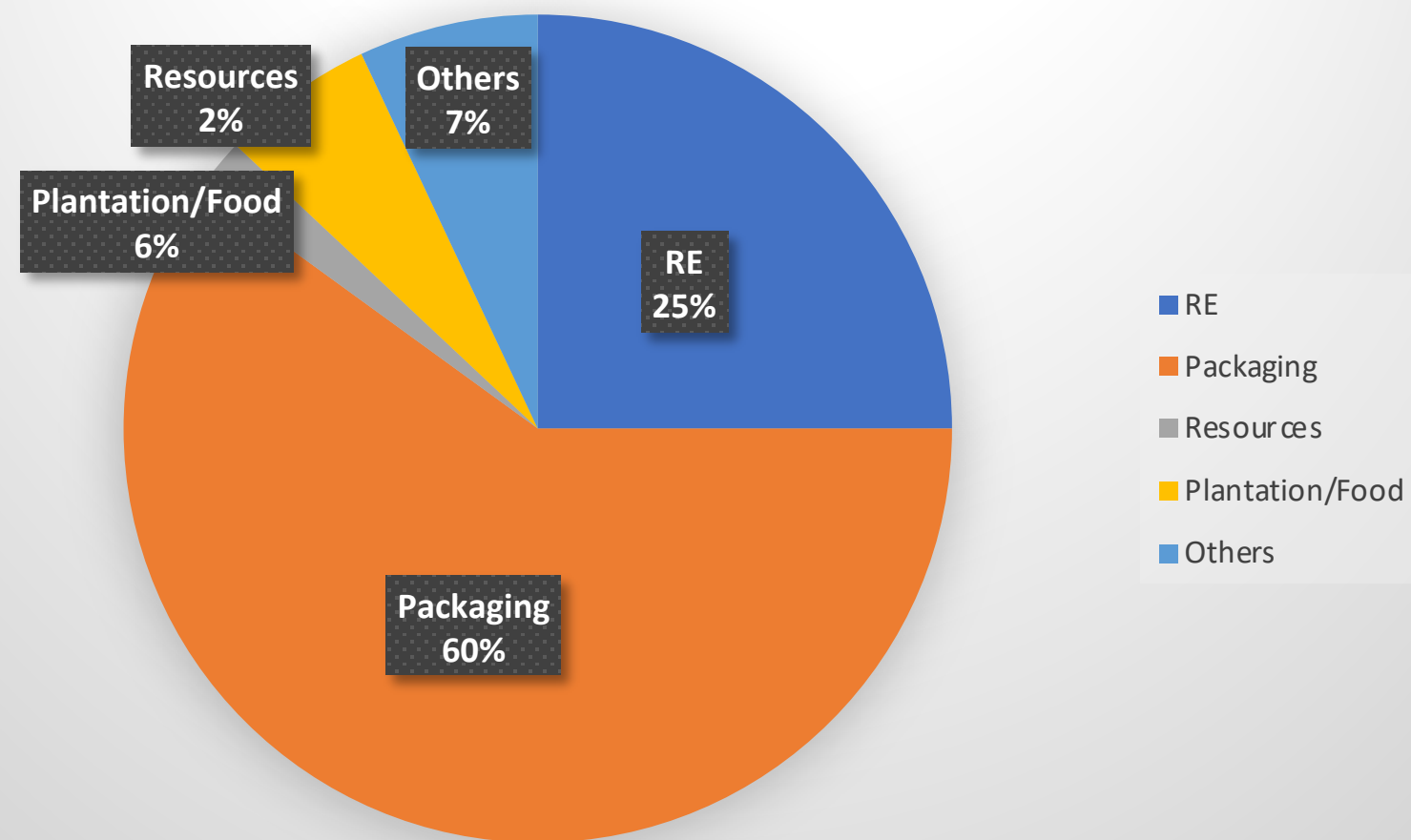
GEARING POSITION



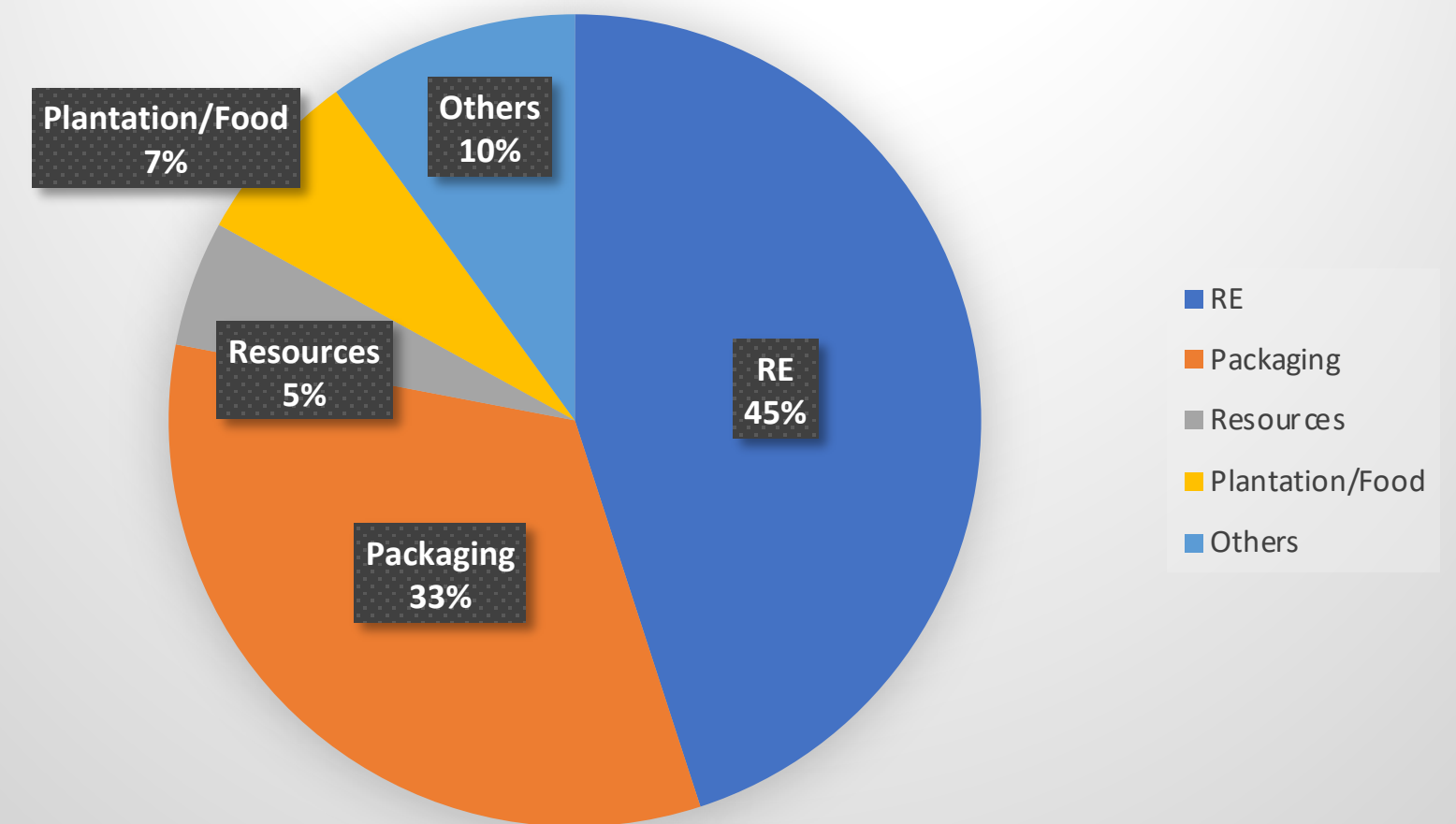
	Net Debt (RM mil)	Net Debt/Equity (%)
31.12.2018	468.2	30.7%
31.12.2019	655.1	38.3%
31.12.2020	564.3	26.1%
31.12.2021	520.2	19.0%
31.12.2022	220.6	6.9%

EXPANSIONARY INVESTMENT CAPITAL DEPLOYED

2021 Investment Capital Deployed (RM296 mil)



2022 Investment Capital Deployed (RM188 mil)



MEGA FIRST CORPORATION BHD

Renewable Energy Division





RE PORTFOLIO

as at 31 Dec 2022

COMPLETED

- Hydro: 260 MW
- Solar: 17.8 MW
- **Total: 277.8 MW**

SECURED/UNDER CONSTRUCTION

- Hydro: 65 MW
- Solar: 22.6 MW
- **Total: 87.6 MW**

TOTAL

- Hydro: 325 MW
- Solar: 40 MW
- **Total: 365 MW**

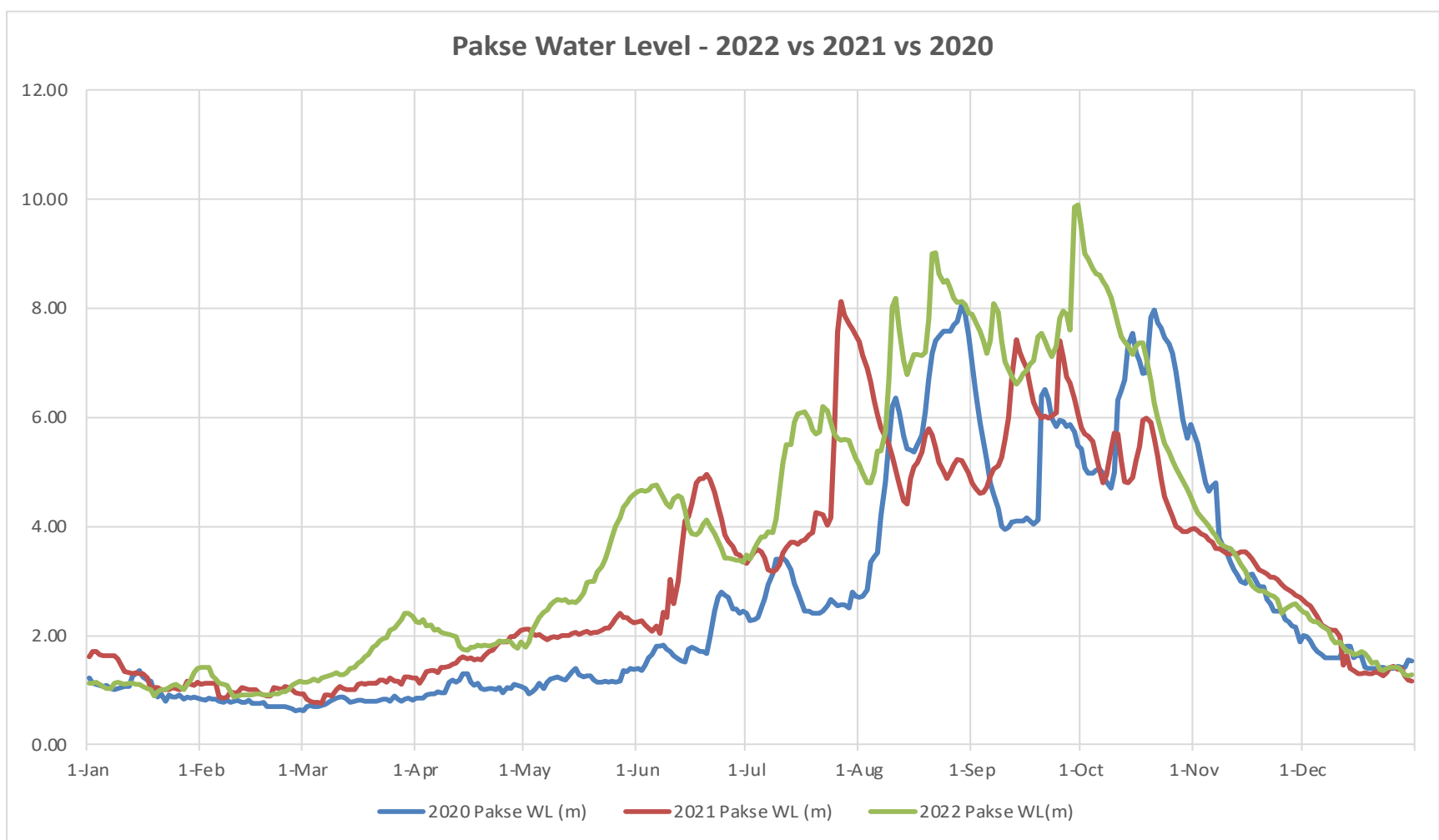
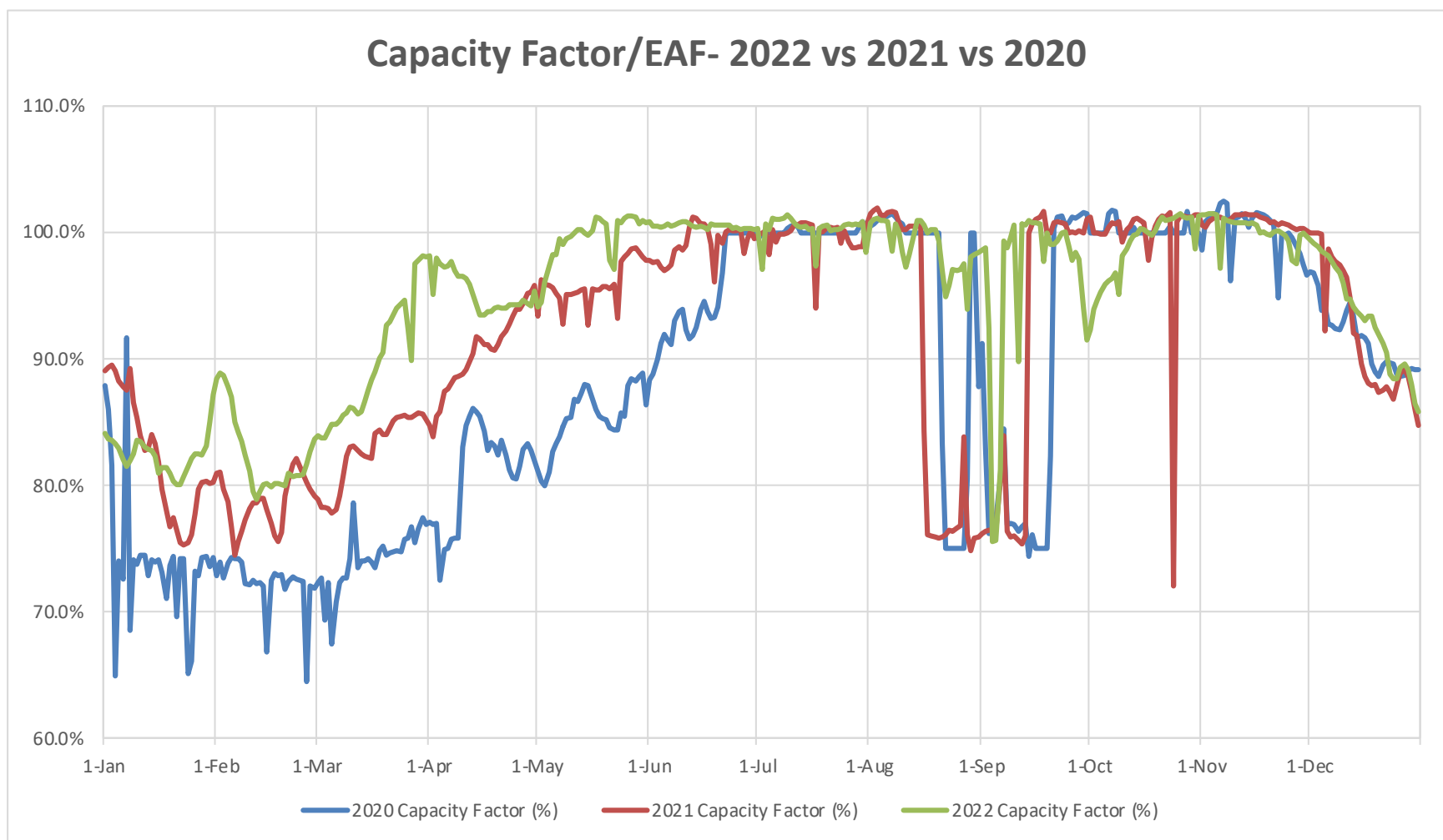


FINANCIAL HIGHLIGHTS

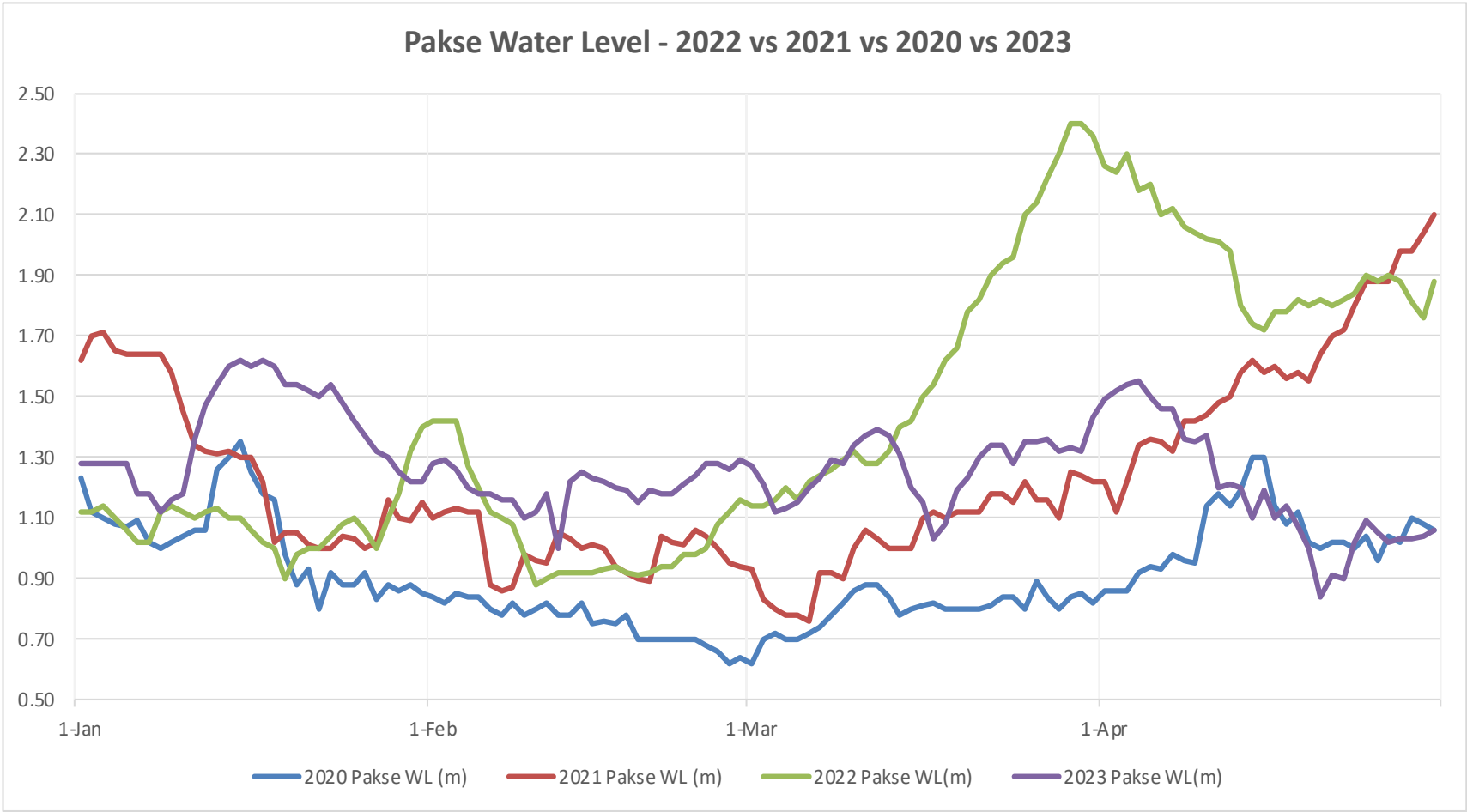
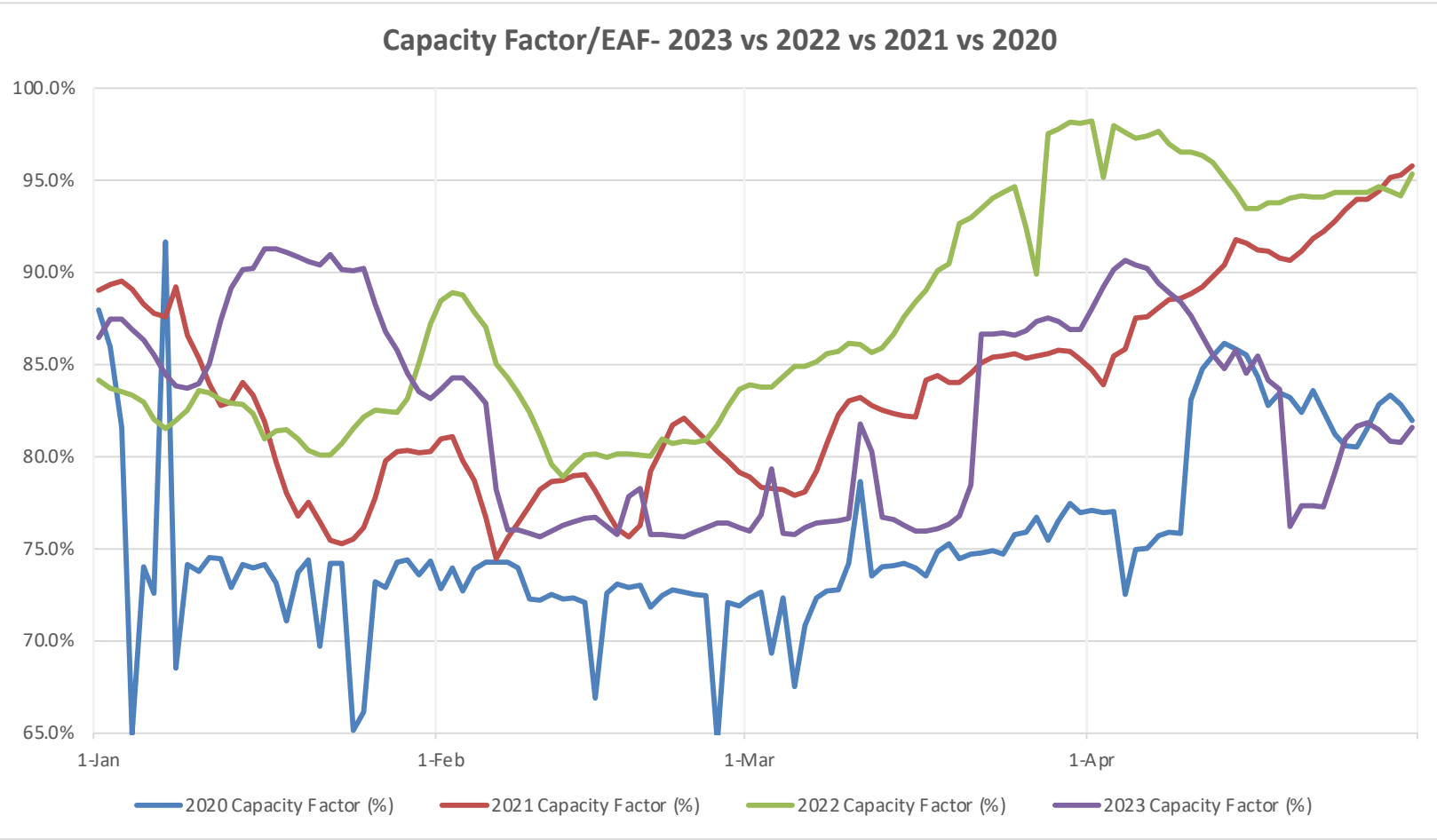
5-Year Earnings Summary					
	2018 (RM'000)	2019 (RM'000)	2020 (RM'000)	2021 (RM'000)	2022 (RM'000)
Revenue					
- Energy	-	35,086	510,214	533,864	596,925
- Construction	656,228	435,289	-	-	-
	656,228	470,375	510,214	533,864	596,925
Profit before tax					
- Energy	-	24,976	372,086	385,585	419,698
- Construction	177,058	157,506	-	-	-
	177,058	182,482	372,086	385,585	419,698



HYDRO EAF & WATER LEVEL (2021 VS 2022)



HYDRO EAF & WATER LEVEL (2023 YTD)



FIFTH TURBINE PROGRESS

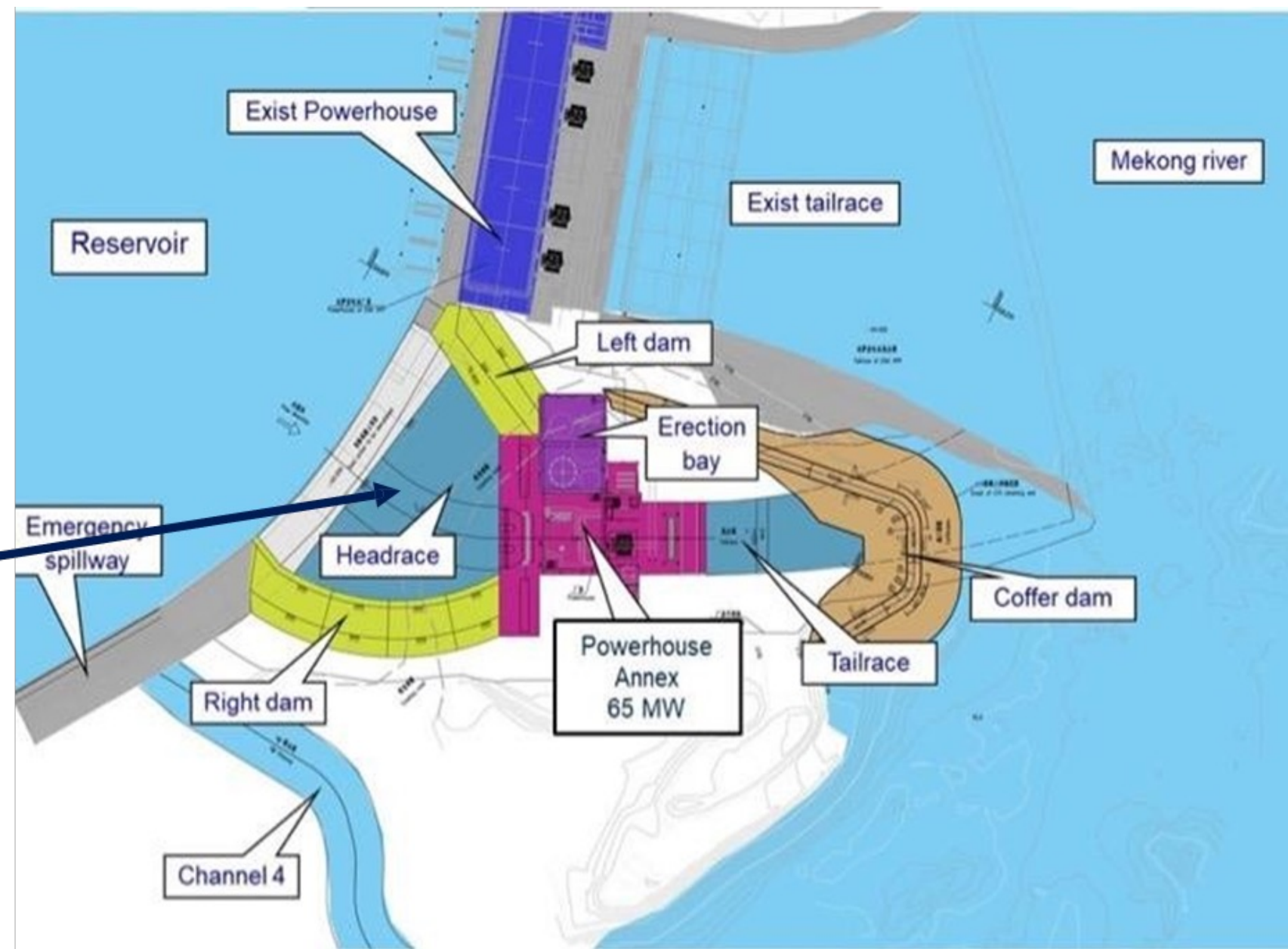


Update & Progress Report

- Construction commenced in Dec 2021.
- Construction according to schedule.
- Expected completion in 3Q2024.
- Expected EAF 41%.

About the Expansion

65 MW 5th turbine expansion of Don Sahong costing approx. US\$75 million or approx. US\$1.2mil/MW (vs US\$1.4 mil/MW for the first 4 turbines).



C&I SOLAR





Oji Paper, Cambodia



VAT Manufacturing, Penang

Proton, Tg Malim



Packaging Division





ABOUT THIS DIVISION

- **Hexachase:** Manufactures and sells paper bags, flexible plastic packaging, and stickers and labels.
- **Stenta:** Flexible packaging film manufacturer of Biaxially Oriented Polypropylene Film (BOPP) and Linear Low Density Polyethylene films (LLDPE).

FINANCIAL HIGHLIGHTS

5-Year Earnings Summary					
	2018 (RM'000)	2019 (RM'000)	2020 (RM'000)	2021 (RM'000)	2022 (RM'000)
Revenue	57,433	68,427	97,775	208,217	398,964
Profit before tax	(4)	(501)	9,461	22,219	33,546

CUSTOMER BASE



PRODUCT RANGE



***Flat & Satchel
Bags***

***Window
Bags***

Wrapper

***Can End
Sleeve***

SOS Bag

Handle Bag



PRODUCT RANGE

Biscuit Packaging
BOPP20/MBOPP18



Biscuit Packaging
PET/MCPP



Beverage Packaging
PET/MPET/LLDPE
PET/PE/ALUM/LLDPE



Wafer Packaging
BOPP/CPP



Sauce Packaging
PET/ALUM/LLDPE



Bread Packaging
BOPP/CPP



Outer Bag Packaging
Matte BOPP20/WCPP50



Snack Packaging
BOPP/MBOPP/LLDPE



Tea Packaging
BOPP/MBOPP/CPP



Wafer Packaging
BOPP/MBOPP



Sauce Packaging
BOPA/LLDPE



Wicketed Bags
KPET/LLDPE



Cake Packaging
PET/MCPP



Detergent Packaging
PET/White LLDPE



STATE-OF-ART MACHINERY



Fuji Kikai Printing Machine



Fuji Kikai Printing 14 colours Rotogravure
Printing Machine



Super Combi 5000 Lamination Machine



Twisted Handle Paper Bag Machine



SOS Machine



Flat and Satchel Machine

STATE-OF-ART MACHINERY



Bruckner OPP Line



Reifenhauser LLDPE Line

EXPANSION PLANS



Hexachase

- 10.4 acre land in Durian Tunggal, Melaka.
- Phase 1: Construction of a new factory building with a build-up area of about 240,000 sf (+115%).
- Estimated completion of factory building end 2023.
- Production lines to be progressively installed thereafter according to prevailing market and demand conditions.



Stenta

- 6.7-acre land adjacent to current factory in Bangi, Selangor.
- Construction of a new factory building with a build-up area of about 121,000 sf (+55%).
- Estimated completion of factory building end 2023.
- Production lines to be progressively added according to market and demand conditions.

BANGI – Construction Progress



MELAKA – Construction Progress



Resources Division







ABOUT THIS DIVISION

- Largest quicklime producer in Malaysia with 1,960 tonnes per day installed kiln capacity.
- Owns one of the largest limestone reserves, sufficient for more than 100 years supply.
- Wide industrial applications: steel, mining, pulp and paper, agriculture, construction material, clean water, waste treatment etc.
- No available substitute.
- 2022 sales volume: approx. 500,000 tonnes.
 - Domestic 34%; Export 66%.

SUCCESS FACTORS

- Fully integrated facilities
- Own high purity limestone reserves, on-site and at vicinity
- High and consistent lime quality
- Cost leadership
- Diversified customer base

FINANCIAL HIGHLIGHTS

5-Year Earnings Summary					
	2018 (RM'000)	2019 (RM'000)	2020 (RM'000)	2021 (RM'000)	2022 (RM'000)
Revenue	142,249	143,624	142,819	154,880	206,324
Profit before tax	18,606	16,460	18,766	16,725	17,385



Plantation Update





BACKGROUND

- MFCB obtained approval from the Royal Government of Cambodia for the concession of a plot of land measuring 6,428 hectares situated in Mondul Kiri Province, Kingdom of Cambodia for agricultural development.
- The term of the concession is 50 years, commencing from 29 April 2013.
- Mondul Kiri is Cambodia's largest and also most sparsely populated province. It is located in the south-eastern part of the country and borders three provinces in Vietnam.



PLANTATION UPDATES

BACKGROUND

- Main crops: coconuts & macadamia
- Cumulative investment as at 31 Dec 2022: RM116 mil (including land cost)

LAND

- 50-year concession on 6,428 hectares.
- Est. plantable area: 4,500 hectares
- Cumulative area planted as at 31 Dec 2022: about 2,500 hectares

PLANS

- Planned planting in 2023: 300– 400 hectares.
- Evaluating various downstream processing businesses.
- Not expected to contribute positively to earnings until after 2026.





