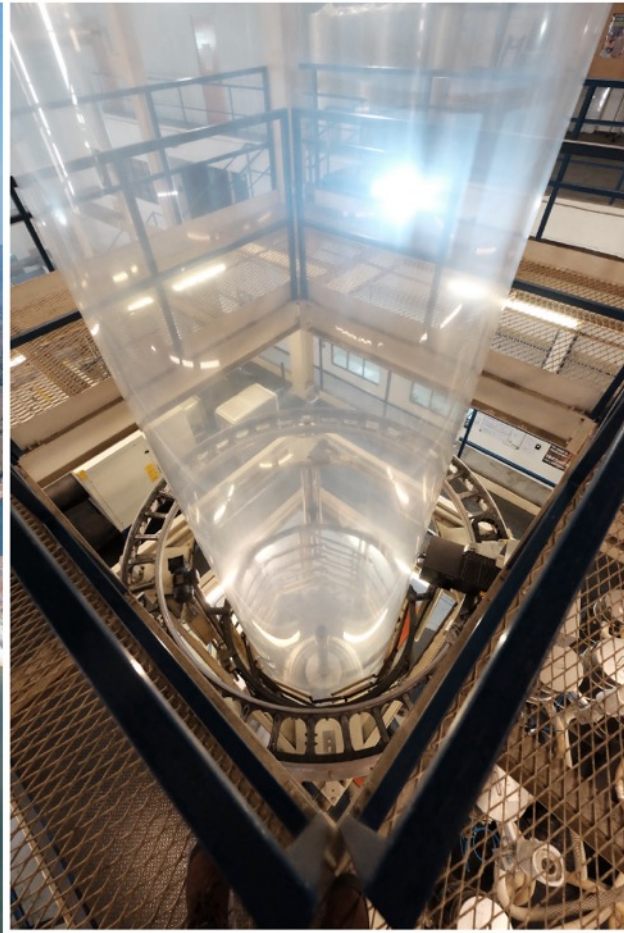


# 1Q2024 RESULTS BRIEFING

30 May 2024



# AGENDA

## 1. Financial Review

- 1Q2024 Earnings Review
- Balance Sheet Review
- Cash Flow Review
- Capital Deployed
- Gearing Position
- JV Edenor Technology
- Other Updates

## 2. Prospects for Remaining Quarters of 2024

## 3. Sustainability Update

## For reference (updated)

### 4. Renewable Energy Division

### 5. Packaging Division

### 6. Resources Division

### 7. Investment in Joint Venture Edenor Technology

### 8. Food Security Division

# 1Q2024 EARNINGS REVIEW

	1Q2024 RM'000	1Q2023 RM'000	YoY Change (%)	4Q2023 RM'000	QoQ Change (%)
<b>Revenue</b>					
Renewable Energy	137,685	128,467	7.2%	168,608	-18.3%
Resources	63,763	55,811	14.2%	46,410	37.4%
Packaging	102,819	103,525	-0.7%	100,361	2.4%
<b>Sub-total</b>	304,267	287,803	5.7%	315,379	-3.5%
Investment holding & others	9,212	59,550	-84.5%	8,870	3.9%
<b>Total</b>	313,479	347,353	-9.8%	324,249	-3.3%
<b>PBT</b>					
Renewable Energy	88,778	88,539	0.3%	120,664	-26.4%
Resources	14,440	5,769	150.3%	6,218	132.2%
Packaging	8,595	7,311	17.6%	8,075	6.4%
<b>Sub-total</b>	111,813	101,619	10.0%	134,957	-17.1%
Investment holding & others	19,923	(11,927)	-267.0%	7,711	158.4%
<b>Share of profit in JV/associate:</b>					
- Operation earnings	(13,915)	2,311	-702.1%	(3,895)	257.3%
<b>Total</b>	117,821	92,003	28.1%	138,773	-15.1%
<b>PAT</b>					
PAT attributable to owners of Company	108,046	77,175	40.0%	138,342	-21.9%
	95,464	70,548	35.3%	122,020	-21.8%

- Recurrent revenue +5.7% to RM313.5 mil.
- PBT +28.1% to RM117.8 mil.
- PATNCI +35.3% to RM95.5 mil.
- Investment holding & others recorded pre-tax profit of RM6.0 mil, compared to pre-tax loss of RM9.6 mil a year ago.
- Current quarter profit attributable mainly to:
  - i. RM22.4 mil income from insurance claims (1Q2023: Nil);
  - ii. RM13.9 mil share of loss from JV/associate (1Q2023: RM2.3 mil share of profit);
  - iii. No income tax penalty (1Q2023: RM14.9 mil).
- Share of loss from JV/associate was primarily attributable to Edenor.
- Edenor experienced significant capacity loss from plant stoppage for maintenance cum repair and upgrading works amid a challenging operating environment.

# Normalised Pre-Tax Profit

	1Q2024 RM mil	1Q2023 RM mil	YoY Chg %	4Q2023 RM mil	QoQ Chg %
<b>Reported Pre-Tax Profit</b>	<b>117.8</b>	<b>92.0</b>	<b>28.1%</b>	<b>138.8</b>	<b>-15.1%</b>
<b>Adjustments:-</b>					
Share of loss/(profit) in JVs/Associates	13.9	(2.3)		3.9	
Additional income tax penalty/(tax penalty write-back)	-	14.9		(9.2)	
Fire incident (insurance income)/asset write-off	(22.4)	-		26.9	
Forex gain on capital transaction	-	(5.8)		(18.1)	
Fair value loss/(gain) on put option liability	0.9	1.0		(17.0)	
Fair value gain on investment properties	-	-		(3.5)	
Inventories written down (accounting policy change)	-	-		3.3	
	<b>(7.6)</b>	<b>7.8</b>		<b>(13.8)</b>	
<b>Normalised Pre-Tax Profit</b>	<b>110.2</b>	<b>99.8</b>	<b>10.4%</b>	<b>125.0</b>	<b>-11.8%</b>

- Normalised PBT +10.4% YoY from RM99.8 mil to RM110.2 mil, reflecting the strength of Group's core businesses.
- Sequential 11.8% decline in Normalised PBT was attributable to seasonally low hydro energy generation, which more than offset improving other core business earnings.

# Normalised Profit After Tax and Non-Controlling Interest (PATNCI)

	1Q2024 RM mil	1Q2023 RM mil	YoY Chg %	4Q2023 RM mil	QoQ Chg %
<b>Reported PATNCI</b>	<b>95.5</b>	<b>70.5</b>	<b>35.3%</b>	<b>122.0</b>	<b>-21.8%</b>
<b>Adjustments:-</b>					
Share of loss/(profit) in JVs/Associates	13.9	(2.3)		3.9	
Additional income tax and penalty/(write-back)	-	17.1		(6.0)	
Fire incident (insurance income)/asset write-off	(12.0)	-		14.8	
Forex gain on capital transaction	-	(5.8)		(18.1)	
Fair value loss/(gain) on put option liability	0.9	1.0		(17.0)	
Fair value gain on investment properties	-	-		(4.2)	
Inventories written down (accounting policy adjustment)	-	-		3.3	
	<b>2.8</b>	<b>10.0</b>		<b>(23.4)</b>	
<b>Normalised PATNCI</b>	<b>98.2</b>	<b>80.6</b>	<b>22.0%</b>	<b>98.7</b>	<b>-0.4%</b>

- Normalised PATNCI +22.0% YoY from RM80.6 mil to RM98.2 mil, reflecting the strength of Group's core businesses and positive impact of increased effective interest in DSPC.
- Despite much lower hydro energy sales, Normalised PATNCI recorded only marginal 0.4% decline from the preceding quarter from RM98.7 mil to RM98.2 mil, as lower energy sales was offset by improved earnings of other core business and the impact of increased effective interest in DSPC.



**RENEWABLE ENERGY  
DIVISION**

# EARNINGS REVIEW - RENEWABLE ENERGY DIVISION

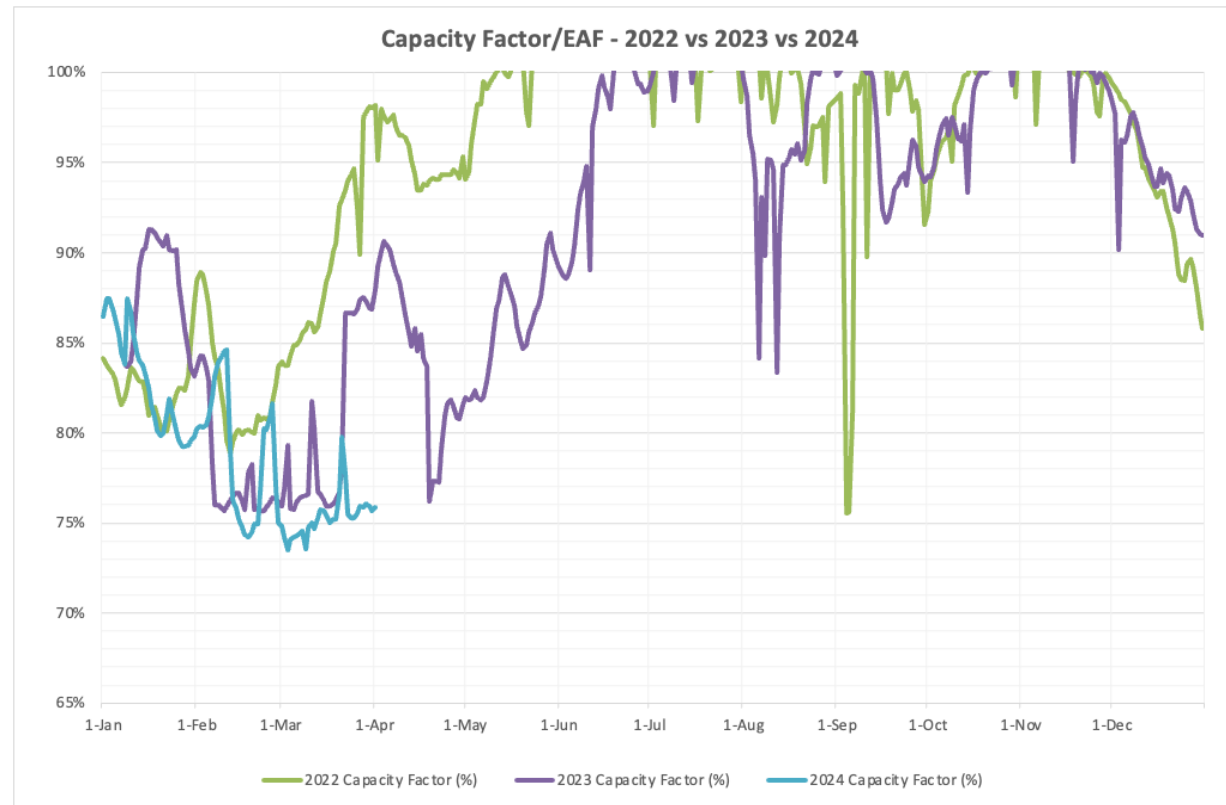
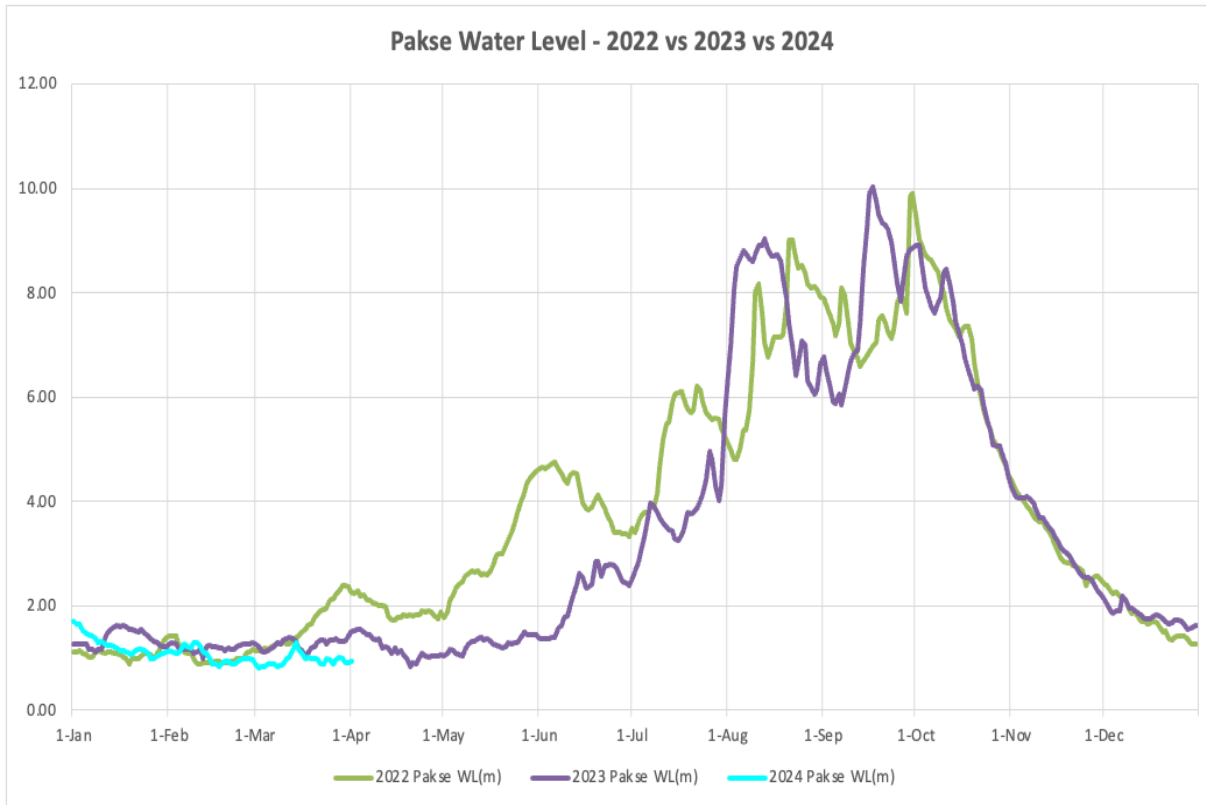
(RM mil)	2023					2024		Change	
	1Q	2Q	3Q	4Q	Total	1Q	Total	YoY (%)	QoQ (%)
Revenue	128.5	144.8	164.3	168.6	606.2	137.7	137.7	7.2%	-18.3%
PBT	88.5	105.6	122.8	120.7	437.6	88.8	88.8	0.3%	-26.4%
PBT margin (%)	68.9%	72.9%	74.7%	71.6%	72.2%	64.5%	64.5%		
EAF (%)	81.9%	88.7%	97.6%	97.4%	91.4%	79.3%		-3.2%	-18.6%
Average RM/USD rate	4.392	4.527	4.628	4.699	4.561	4.723		7.5%	0.5%

## 1Q2024 vs 1Q2023

- Revenue +7.2% to RM137.7 mil: higher hydro energy sales (+6.5%), higher solar energy sales (+53.1%).
- Higher hydro energy sales: 7.6% currency gain and 1% hydro tariff adjustment, partly offset by 2.1% decline in sales volume.
- EAF -3.2% to 79.3% due mainly to lower water levels.
- Higher solar energy sale: installed capacity 20.5 MW → 28.3 MW.
- PBT +0.3% to RM88.8 mil: higher revenue was largely offset by higher interest expense.
- **Note:** MFCB took up additional US\$55 mil loan to fund the acquisition of additional 20% stake in DSPC. Higher interest expense is more than compensated by increase in PATNCl.

# RENEWABLE ENERGY DIVISION - DON SAHONG

Don Sahong : January - March Pakse Water Level and Capacity Factor/EAF





# RESOURCES DIVISION



# EARNINGS REVIEW - RESOURCES DIVISION

(RM mil)	2023					2024		Change	
	1Q	2Q	3Q	4Q	Total	1Q	Total	YoY (%)	QoQ (%)
Revenue	55.8	52.4	48.3	46.4	202.9	63.8	63.8	14.3%	37.5%
PBT	5.8	5.8	5.5	6.2	23.3	14.4	14.4	148.3%	132.3%
PBT margin (%)	10.4%	11.1%	11.4%	13.4%	11.5%	22.6%	22.6%		

## 1Q2024 vs 1Q2023

- Revenue +14.3% to RM63.8 mil: higher sales volume of lime products (+9.0%) and forex gain (+7.6%).
- Higher sales volume partly due to delayed deliveries from the previous quarter. This also explains the weak 4Q2023 sales.
- PBT +148.3% to RM14.4 mil: increased revenue and enhanced cost efficiency.



**PACKAGING DIVISION**

# EARNINGS REVIEW - PACKAGING DIVISION

(RM mil)	2023					2024		Change	
	1Q	2Q	3Q	4Q	Total	1Q	Total	YoY (%)	QoQ (%)
Revenue	103.5	100.4	98.1	100.3	402.3	102.8	102.8	-0.7%	2.5%
PBT	7.3	8.1	10.1	8.1	33.6	8.6	8.6	17.8%	6.2%
PBT margin (%)	7.1%	8.1%	10.3%	8.1%	8.4%	8.4%	8.4%		

## 1Q2024 vs 1Q2023

- Revenue -0.7% to RM102.8 mil: challenging operating environment and fire incident, partly offset by broader customer base.
- PBT (excluding income from insurance claims) +17.6% to RM8.6 mil on improved cost efficiency.

# BALANCE SHEET REVIEW

	At 31.3.2024 (RM million)	At 31.12.2023 (RM million)	Changes (RM million)	Explanation
Service concession asset	1,972.3	1,940.0	32.3	RM55.1 million translation gain, offset by RM22.9 million amortisation charge.
PPE	566.4	531.9	34.5	RM41.2 million Capex, partly offset by RM9.4 million depreciation charge. About 86% of Capex was incurred by the Packaging Division for new plant construction and restoration of plant and machinery damaged by fire in September 2023.
Investment properties	244.1	168.7	75.4	Acquisition of 688 acres of land for future development within the RE Division and the Food Security Division.
ROU assets	115.5	116.3	(0.8)	
Investment in quoted shares	122.5	133.3	(10.8)	Fair value loss of quoted securities.
Inventories (non-current)	40.2	40.2	0.0	
Joint Ventures and associates	152.8	166.7	(13.9)	RM13.9 million share of loss from JVs and associates.
Development expenditures	238.1	203.0	35.1	Progressive development of Don Sahong's 5th turbine expansion project.
Inventories (current)	136.3	131.7	4.6	In line with operational requirements.
Receivables and prepayments	550.6	490.1	60.5	Insurance claim receivable and prepaid Capex recorded by the Packaging Division, and a 4.5% increase in USD receivable from EDL.
Deferred tax liabilities	128.8	127.0	1.8	
Payables and accruals (current)	206.5	168.8	37.7	Accrual of RM40.1 million final dividend for financial year 2023.
Shareholder equity	3,161.7	3,057.0	104.7	
Net assets per share (RM)	3.35	3.24	0.11	

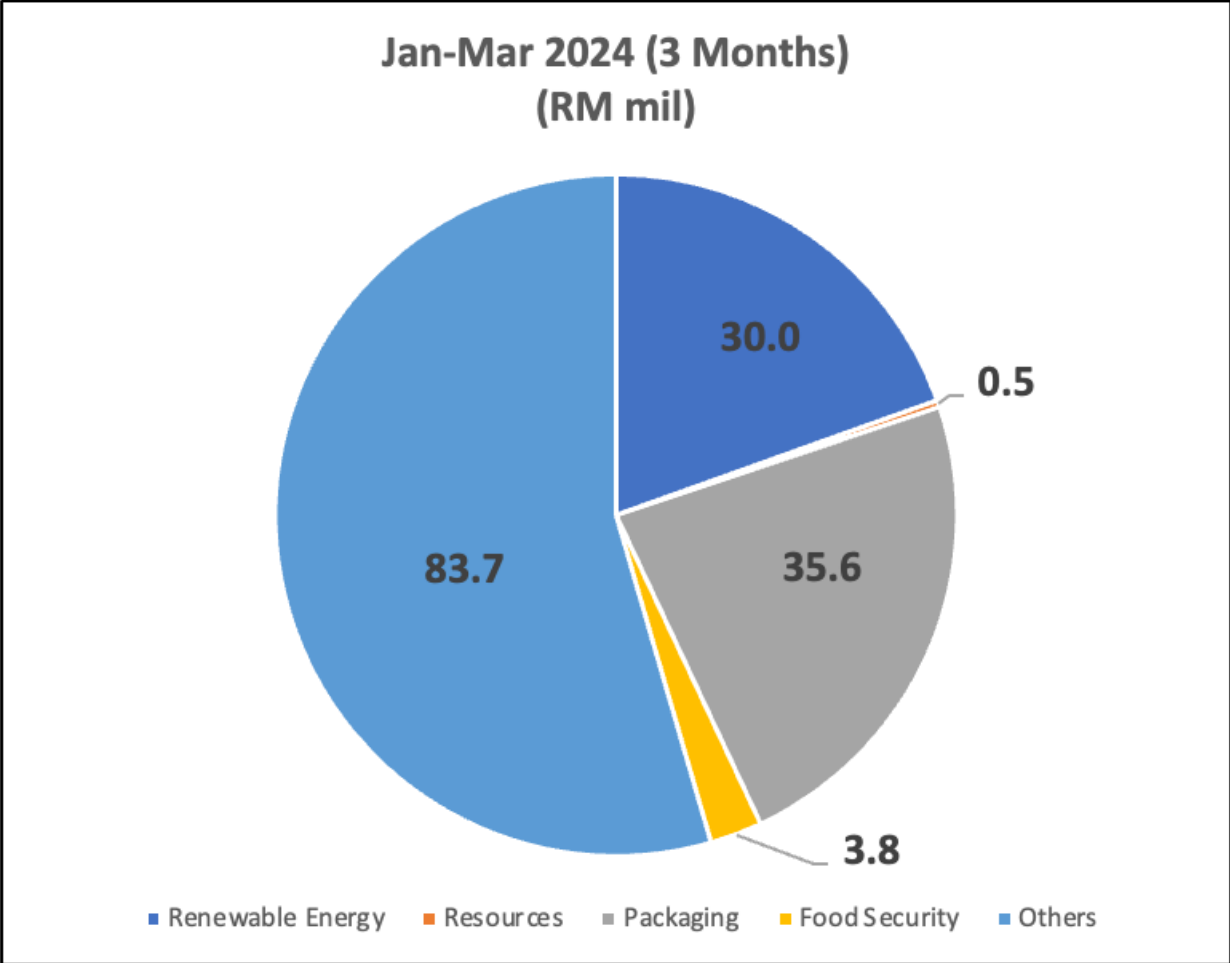
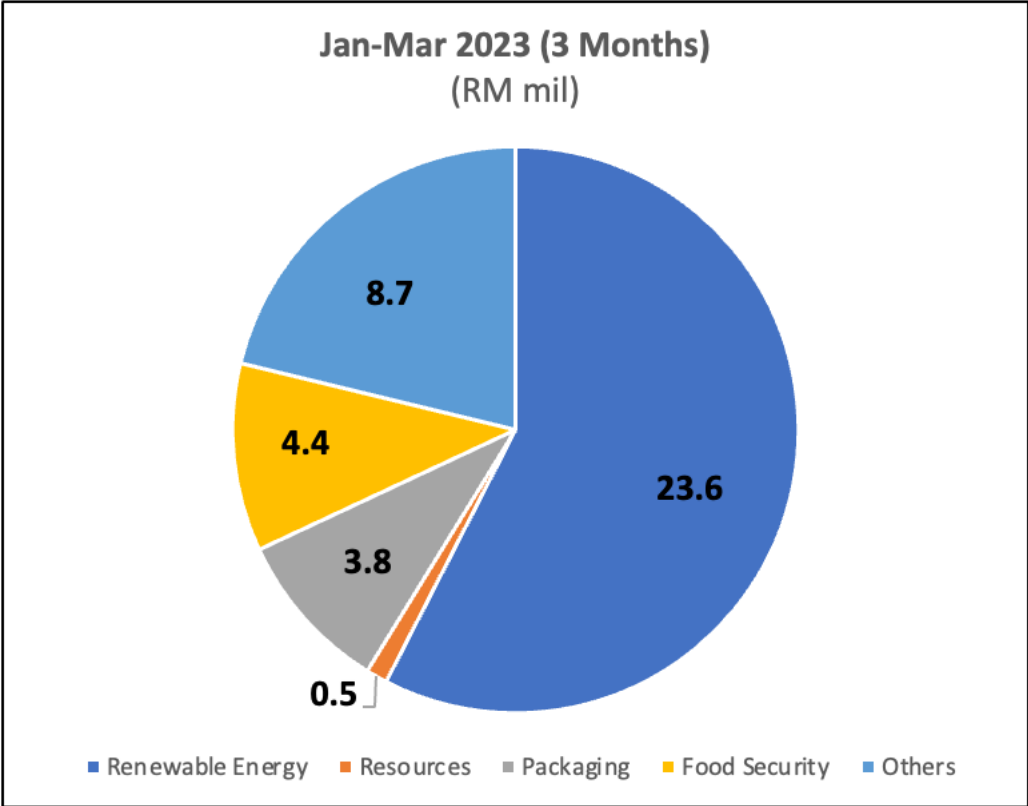
# CASH FLOW REVIEW

	3-Month Period Ended	
	2024 (RM mil)	2023 (RM mil)
After tax cash from operating activities	106.2	155.9
Net cash inflow from non-operating investment activities	4.9	5.3
<b>Total Cash Made Available to the Group</b>	<b>111.1</b>	<b>161.2</b>
<b>Investing Activities</b>		
Investment in joint ventures and associates	-	(2.7)
Subscription of additional shares in a subsidiary	(6.4)	-
Quoted investment	(1.2)	-
Short-term investment	-	(5.0)
Capex + investment properties	(116.6)	(11.4)
Don Sahong Hydropower Project + expansion	(29.4)	(21.9)
<b>Total Investment</b>	<b>(153.6)</b>	<b>(41.0)</b>
<b>Financing Activities</b>		
Dividends paid	-	-
Finance costs paid	(17.8)	(11.0)
<b>Total Distribution</b>	<b>(17.8)</b>	<b>(11.0)</b>
<b>Net cash flow retained by the Group</b>	<b>(60.3)</b>	<b>109.2</b>
Effects of forex and others	(5.0)	-
<b>Change in Net Cash/(Debt) of the Group</b>	<b>(65.3)</b>	<b>109.2</b>
<b>Net Cash/(Debt):</b>		
- At beginning of period	(392.7)	(220.6)
- At end of period	(458.0)	(111.4)
<b>- Change</b>	<b>(65.3)</b>	<b>109.2</b>

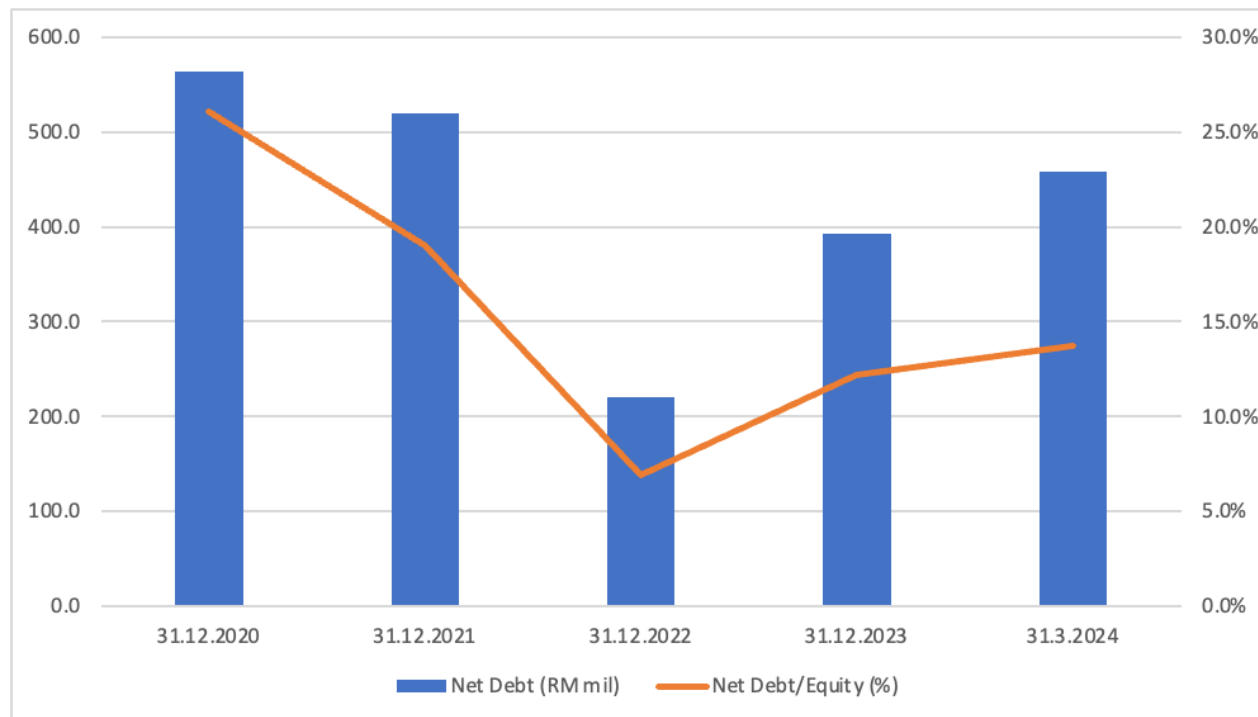
# EXPANSIONARY INVESTMENT CAPITAL DEPLOYED

1Q2024: RM153.6 mil

1Q2023: RM41.0 mil



# GEARING POSITION



	At 31.12.2020 (RM mil)	At 31.12.2021 (RM mil)	At 31.12.2022 (RM mil)	At 31.12.2023 (RM mil)	At 31.3.2024 (RM mil)
Total Cash	93.6	257.7	492.3	508.6	531.7
Total Debt	-657.9	-777.9	-712.9	-901.3	-989.7
<b>Net Debt</b>	<b>-564.3</b>	<b>-520.2</b>	<b>-220.6</b>	<b>-392.7</b>	<b>-458.0</b>
Equity	2,165.6	2,739.6	3,191.0	3,224.0	3,333.1
<b>Net Debt/Equity Ratio</b>	<b>26.1%</b>	<b>19.0%</b>	<b>6.9%</b>	<b>12.2%</b>	<b>13.7%</b>



# JV EDENOR TECHNOLOGY

Summarised Profit and Loss							
	2023					2024	
	1Q (RM mil)	2Q (RM mil)	3Q (RM mil)	4Q (RM mil)	Total (RM mil)	1Q (RM mil)	Total (RM mil)
Revenue	265.0	220.7	207.8	198.3	891.8	197.9	197.9
EBITDA	4.3	(1.5)	3.1	3.2	9.1	(10.3)	(10.3)
Depreciation and amortisation	9.2	9.1	9.1	9.4	36.8	9.5	9.5
PAT	(7.3)	(18.6)	(8.0)	(8.2)	(42.1)	(24.1)	(24.1)
PAT after MI	(7.7)	(16.9)	(8.9)	(5.8)	(39.3)	(26.6)	(26.6)
Gain on Accretion of 20% Interest in Subsidiary	13.1	-	-	-	13.1		-
Total JV Results	5.4	(16.9)	(8.9)	(5.8)	(26.2)	(26.6)	(26.6)
MFCB's Share of Results	2.7	(8.5)	(4.5)	(2.9)	(13.1)	(13.3)	(13.3)
Sales Volume	('000 MT) 42.0	('000 MT) 36.6	('000 MT) 35.1	('000 MT) 34.1	('000 MT) 147.8	('000 MT) 37.1	('000 MT) 37.1

Summarised Balance Sheet		
	At 31.12.2023 (RM mil)	At 31.3.2024 (RM mil)
Total Assets	723	753
Total Liabilities	416	461
NCI	32	44
Total Equity	275	248

# OTHER UPDATES

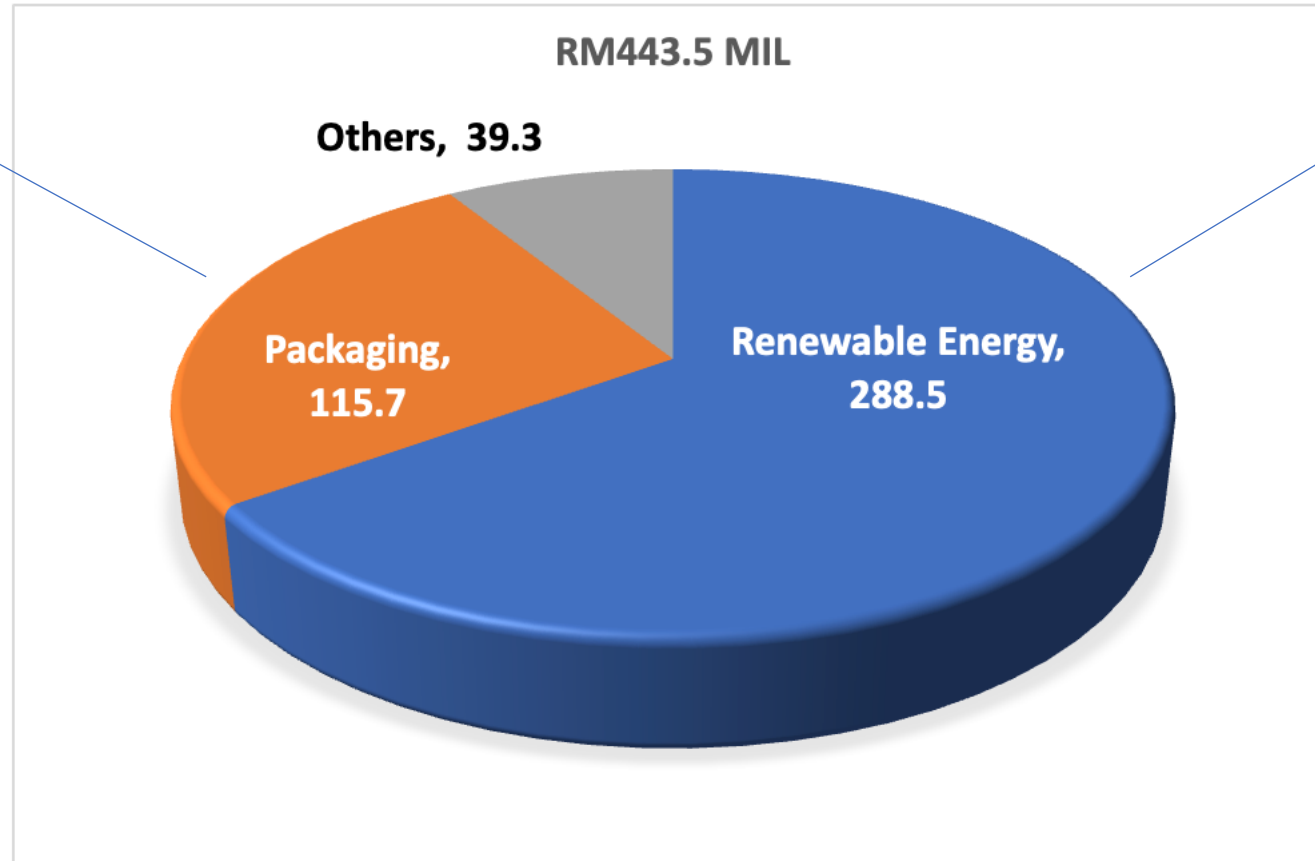
- **Subscription of 13,551,072 Ordinary Shares in CSC Agriculture Holdings Sdn Bhd (“CSCAH”)**
  - CSCAH’s subsidiaries primarily involve in the plantation (using developed modern and innovative techniques as well as automation of planting processes) and wholesale of fruits and vegetables.
  - Equity interest: 64% in CSCAH
  - Total consideration: RM25.0 million
  - Completed end May 2024.
  
- **Concession Agreement (“CA”) and Power Purchase Agreement (“PPA”) for DSPC 5<sup>th</sup> turbine expansion**
  - Terms finalised awaiting formal approval from Lao government.
  - New CA and PPA will encompass all 5 turbines.
  - Expected completion by 30 June 2024.

# PROSPECTS FOR REMAINING QUARTERS OF 2024

- Normalised PATNCI (excluding share of JVs and associates' earnings and one-off non-operational items) increased by 22.0% YoY to RM98.2 million in the first quarter of 2024 (1Q2023: RM80.6 million).
  - Underlying strength of the Group's core businesses.
  - Impact of acquiring an additional 15% effective equity stake in Don Sahong Power Company.
- We expect the growth momentum of normalised PATNCI to continue for the remaining quarters of 2024:
  - Expected improved earnings performance across all three core businesses.
  - Commissioning of 5<sup>th</sup> turbine.

# PROSPECTS FOR REMAINING QUARTERS OF 2024 CAPITAL COMMITMENT AS AT 31 MARCH 2024

Factory construction:  
RM37.8 mil  
Production machinery:  
RM77.9 mil



Hydro: RM112.7 mil  
Solar: RM175.8 mil

# PROSPECTS FOR REMAINING QUARTERS OF 2024

## Renewable Energy Division

- 1Q2024 average EAF: 79.3% (1Q2023: 81.9%)
- PBT for the remaining quarters of 2024 is expected to be primarily boosted by an additional generation capacity from the expected commercialisation of the 5<sup>th</sup> turbine, partially offset by higher interest costs due to: 1) additional bank borrowings for funding the acquisition of an additional 20% equity interest in DSPC; 2) higher interest rates.
- Outstanding loan at end-May 2024: US\$120.4 mil. Current weighted average interest rate: 7.48%.
- We expect solar energy earnings to continue to grow in 2024 on progressive installation of secured solar capacities.
- The recently launched NETR (August 2023) is expected to drive the development of Malaysia's RE industry and open more investment opportunities for the Group in the RE sector.
- Management will continue to selectively explore and evaluate new investment opportunities, including the 5<sup>th</sup> Large-Scale Solar (LSS5) competitive bidding program announced by the EC on 1 April 2024.

# PROSPECTS FOR REMAINING QUARTERS OF 2024 PORTFOLIO SUMMARY AS AT 31 MARCH 2024

Completed Capacity		Capacity Secured/Under Construction		Total Capacity	
Hydro:	260.0 MW	Hydro:	65.0 MW	Hydro:	325.0 MW
Solar:	28.3 MW	Solar:	68.7 MW	Solar:	97.0 MW
<b>Total:</b>	<b>288.3 MW</b>	<b>Total:</b>	<b>133.7 MW</b>	<b>Total:</b>	<b>422.0 MW</b>

# RENEWABLE ENERGY DIVISION - EXPANSION

## Renewable Energy Projects on Hand

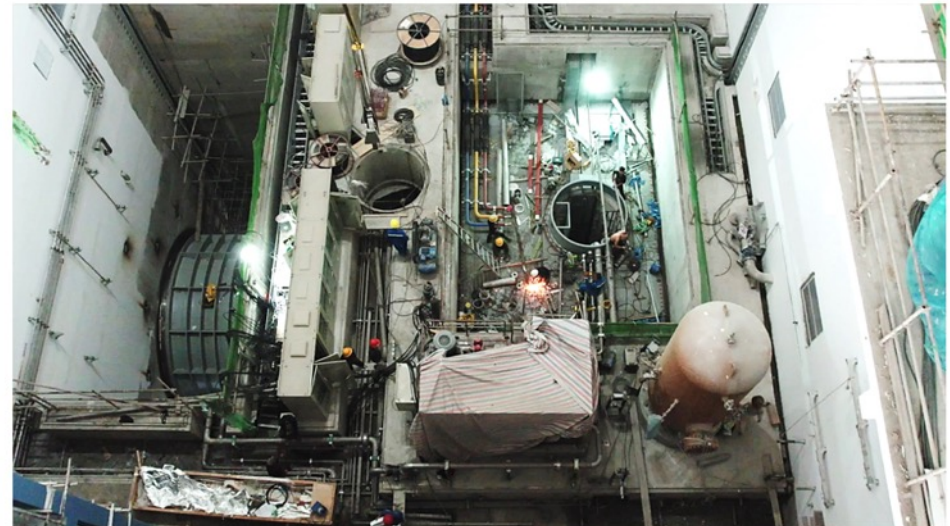
- 65 MW 5<sup>th</sup> turbine expansion of Don Sahong costing approx. US\$70-75 million or approx. US\$1.1-1.2mil/MW (vs US\$1.4 mil/MW for the first 4 turbines). Construction commenced in December 2021. Expected completion by end-June 2024. Expected EAF 41%.
- C&I solar projects secured:
  - 28.3 MW energised in 1Q2024.
  - 14.9 MW to be progressively commissioned and energised over the next 9 months.
- Other solar projects secured:
  - 11.4 MW solar farm project with a state utility company in the Republic of Maldives, expected to be completed in 2024.
  - 46.5 MW solar farm project in Malaysia under the Corporate Green Power Programme by the Energy Commission, expected to be commercially operational in 2025.

# RENEWABLE ENERGY DIVISION 5<sup>th</sup> TURBINE CONSTRUCTION PROGRESS





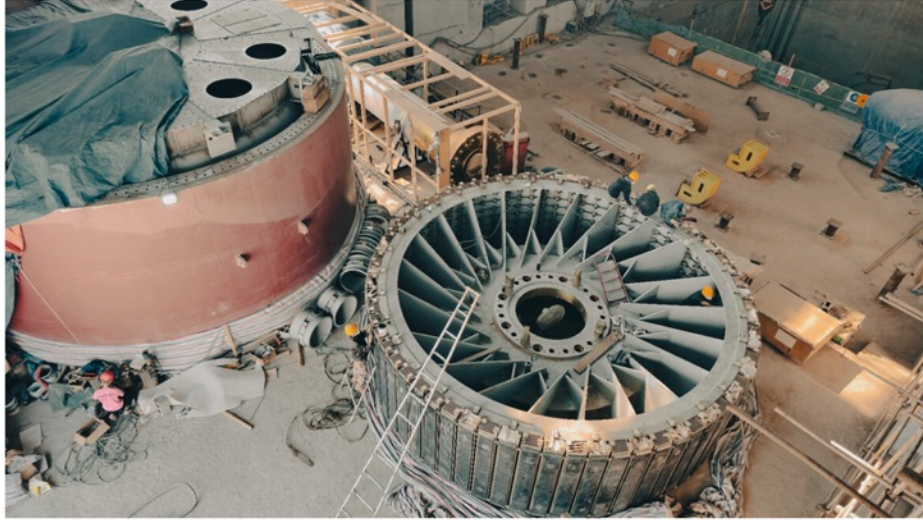
# RENEWABLE ENERGY DIVISION 5<sup>th</sup> TURBINE CONSTRUCTION PROGRESS



# RENEWABLE ENERGY DIVISION 5<sup>th</sup> TURBINE CONSTRUCTION PROGRESS



# RENEWABLE ENERGY DIVISION 5<sup>th</sup> TURBINE CONSTRUCTION PROGRESS



# PROSPECTS FOR REMAINING QUARTERS OF 2024

## Packaging Division

- The facilities damaged by fire last September are expected to recommence operations in June 2024.
- Hexachase's new factory in Melaka is expected to be finished in July, with the first production line for commercial run in 4Q2024.
- Stenta's new factory in Bangi is nearing completion, and management expects the first LLDPE production line will be ready for commercial operation in August/September 2024.
- Management remains optimistic about its ongoing efforts to expand the customer base and increase penetration in both domestic and export markets.

# PACKAGING DIVISION BANGI (STENTA)



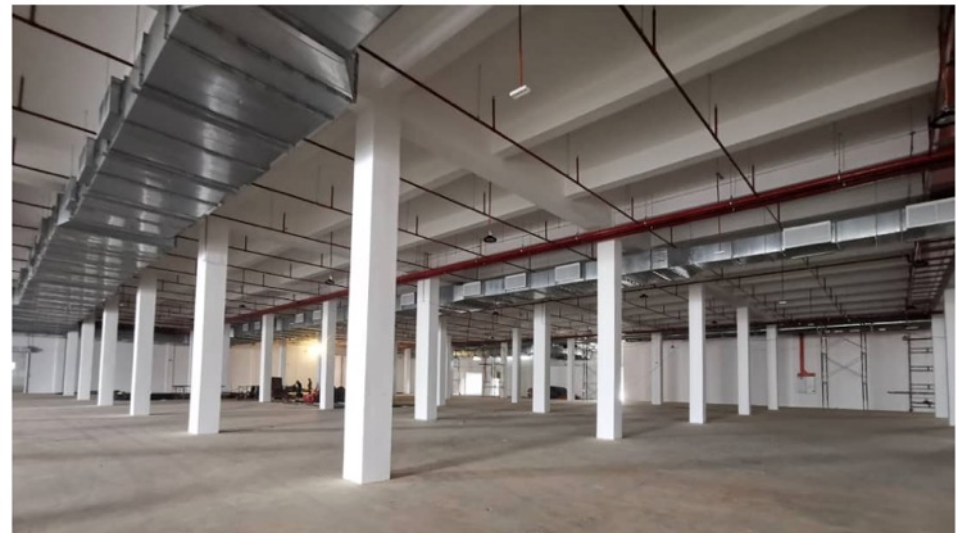
# PACKAGING DIVISION BANGI (STENTA)



# PACKAGING DIVISION MELAKA (HEXACHASE)



# PACKAGING DIVISION MELAKA (HEXACHASE)





# PROSPECTS FOR REMAINING QUARTERS OF 2024

## Resources Division

- The ongoing conflict in the Middle East, particularly in the Red Sea region, could raise global shipping costs and potentially diminish the price competitiveness in certain export markets.
- The demand for lime products in the region is expected to remain strong.
- Management will continue to focus on actively expanding the customer base in the region while closely monitoring market dynamics. We are also prepared to make necessary adjustments to pricing and distribution channels to sustain business growth.
- We anticipate that earnings in 2024 will significantly surpass those of 2023 due to an expected increase in sales volume, enhanced production efficiencies, and a favourable shift in the sales mix.

# PROSPECTS FOR REMAINING QUARTERS OF 2024

## Edenor Technology

- The widening loss of Edenor in 1Q2024 was attributable to unexpected plant outage for repairs and upgrades.
- Barring any further unscheduled plant outages, Edenor's management is optimistic about a recovery in earnings in the second half of 2024, supported by anticipated improvement in market conditions.

# PROSPECTS FOR REMAINING QUARTERS OF 2024

## Food Security Division

- 6,428-hectare concession land in Mondulkiri Province, Cambodia.
- Planted a cumulative area of about 2,560 hectares – 1,830 hectares of coconut and 730 hectares of macadamia.
- Coconut trees are expected to progressively reach commercial scale maturity starting from 2024, while macadamia trees are anticipated to take another 1-2 years to reach the same level of maturity.
- Harvesting coconut flower sap and refining it into coconut sugar products.
  - Scarcity of pure, unadulterated coconut sugar products in both industrial and retail markets.
  - Steady and expanding global demand (forecasted CAGR: 4.8% from 2018-2030).
- Management anticipates establishing the Group as the largest and foremost fully integrated company dedicated to coconut sugar products worldwide once it reaches maximum harvest capacity.

# PROSPECTS FOR REMAINING QUARTERS OF 2024

## Food Security Division

- Management further strengthens and expands the Division by acquiring a 40% effective equity interest in the business of CSCAH and its operating subsidiaries.
- Fruits and vegetable farming and wholesaling.
- 1,100 acres of farmland in Johor (5 farms) and Pahang (1 farm)
  - 600 acres have been developed and planted with various crops, including durian, coconut, chempedak, Nangka, rose apple, pink guava, calamansi, petai, lemongrass, curry leaves, and leafy vegetables.
  - Long-term crops have either recently reached maturity or will reach maturity within the next 24 months.
  - Initiated a pilot project for modern greenhouse farming of clean leafy vegetables on a 12-acre plot in Johor.
- Management expects earnings contribution from CSCAH Group to grow in line with the increasing maturity of the long-term crops and the expansion of greenhouse farming.

# FOOD SECURITY DIVISION CSC AGRICULTURE HOLDINGS



# FOOD SECURITY DIVISION CSC AGRICULTURE HOLDINGS



# KEY SUSTAINABILITY UPDATES

February



- Received a 'C' score from CDP for Climate Change questionnaire submitted in 2023 based on 2022's performance.

March



- Launch of MFCB's first corporate newsletter.
- Sustainability engagements with the main Divisions to set individual ESG targets and goals.

April (1)

- Launched our second Tier 1 supplier engagements for the main Divisions:
  - Responsible Sourcing Policy acknowledgment
  - Suppliers Sustainability Assessment 2024



- Officially engaged with a third party consultant, Eco-Ideal to develop the Group's GHG inventory.
- Sustainability engagements with other Divisions – Automotive Components and Property Divisions for ESG quarterly reporting.



- Continued 2023's activity to officiate MFCB's Sustainability vision and mission across the Divisions – Hexachase Group.

April (2)



- Announcement of MFCB Sustainability Report 2023 and disclosed ESG information on Bursa's online platform.

May



- Continued 2023's activity to conduct Sustainability 101 and Data owner trainings for the main divisions – Hexachase Group.

# OUR SUSTAINABILITY STRATEGY



## Vision

To be a leading Malaysian company with a **strong commitment to sustainable development** in all our businesses and to achieve **long term value creation** to the benefit of all our stakeholders



## Mission

To implement sustainable initiatives across our entire organisation with an emphasis on **sustainable production, social accountability and sound environmental management practices**

## Sustainability targets

### Net zero emissions by 2050

MFCB to achieve net zero emissions through pursuing operational GHG reduction and working with stakeholders on their carbon neutrality commitments.

### Enhancing livelihoods of 300,000 people in nearby communities by 2030

To be the voice in empowering and uplifting communities through corporate social responsibility and advocacy.

### 100% of Tier 1 suppliers to comply with our Responsible Sourcing Policy by 2030

To practice fair, transparent, ethical and sustainable procurement throughout the organisation.

## Sub-targets

Conduct group-wide GHG inventory by 2023.

Reduce waste to landfill by 50% by 2030.

By 2035, achieve carbon neutrality and commence transition towards Net Zero.

Reduce GHG emissions in the supply chain by 50% by 2035.

Establish a community investment fund to create positive societal impact by 2023.

Set up a Scholarship and Management Trainee Programme by 2024.

Conduct social impact assessments for 100% of community initiatives by 2025.









Develop a Responsible Sourcing Policy by 2022.

Implement mandatory supplier ESG training by 2023.

Conduct internal audits of all higher-risk suppliers by 2025.



# OUR SUSTAINABILITY PLAN FOR 2024

Initiatives		Expected Outcomes
 <div style="background-color: #4CAF50; color: white; padding: 5px; border-radius: 10px; display: inline-block;">Reporting</div>	<ul style="list-style-type: none"> <li>Incorporate other divisions in the reporting cycle</li> <li>Improve MFCB's website and social media presence</li> <li> Group wide engagement</li> </ul>	<ul style="list-style-type: none"> <li>Include additional subsidiaries in the data collection and Sustainability Committee (e.g. Plantations, Property and Bloxwich) for the 2024 reporting cycle</li> <li>More social and market presence, constant dialogue with stakeholders</li> <li>Quarterly/biannual newsletter established</li> </ul>
 <div style="background-color: #4CAF50; color: white; padding: 5px; border-radius: 10px; display: inline-block;">GHG Inventory</div>	<ul style="list-style-type: none"> <li> Engage consultant to develop GHG inventory</li> </ul>	<ul style="list-style-type: none"> <li>Develop baseline for GHG emissions for all future comparisons of GHG reduction</li> </ul>
 <div style="background-color: #4CAF50; color: white; padding: 5px; border-radius: 10px; display: inline-block;">Supplier Engagement</div>	<ul style="list-style-type: none"> <li>Conduct baseline assessment of Tier 1 suppliers</li> <li> Supplier commitment to Responsible Sourcing Policy</li> </ul>	<ul style="list-style-type: none"> <li>A clear understanding which Tier 1 suppliers are considered high risk and actions required to mitigate the risk</li> <li>Receive written commitment from Tier 1 suppliers</li> </ul>
 <div style="background-color: #4CAF50; color: white; padding: 5px; border-radius: 10px; display: inline-block;">Community Outreach</div>	<ul style="list-style-type: none"> <li>Scholarship and Management Trainee <u>Programme</u></li> <li>Community projects for each division</li> </ul>	<ul style="list-style-type: none"> <li>Ensure MFCB develops a strong talent pipeline for their industries whilst supporting students in need</li> <li>Increase engagement with community members and promote collaboration; Establish at least one partnership with local <u>organisation</u></li> </ul>
 <div style="background-color: #4CAF50; color: white; padding: 5px; border-radius: 10px; display: inline-block;">Metrics, Targets &amp; Initiatives</div>	<ul style="list-style-type: none"> <li>Establish key metrics and targets within each division</li> </ul>	<ul style="list-style-type: none"> <li>Each division has clear and achievable targets to support the overall group target</li> </ul>

# ENVIRONMENT DASHBOARD - JAN-MAR 2024

## ENVIRONMENT



**463,319**  
**MWh**

**Total Renewable  
Energy  
Generated<sup>1</sup>**



**324,472**  
**tons**

**Total CO<sub>2</sub>e  
Avoided  
From The  
Environment**



**1,497**  
**tons**

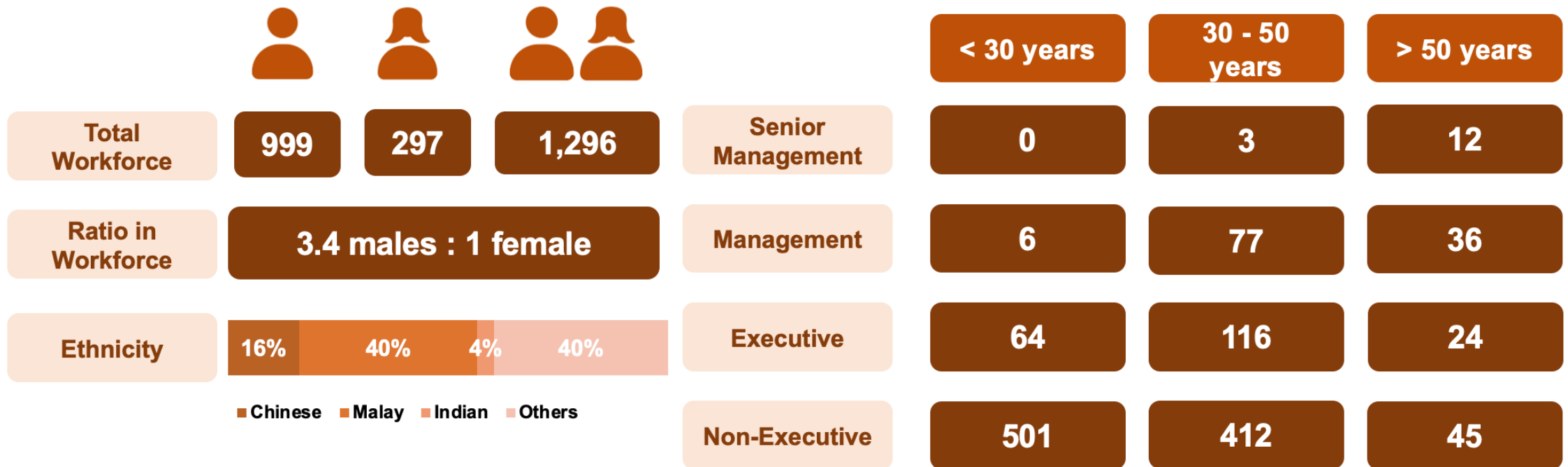
**Total Waste  
Diverted From  
Disposal<sup>2</sup>**

### Notes:

1. Total Renewable Energy Generated and Total CO<sub>2</sub>e Avoided from the Environment data were collected from our Renewable Energy Division.
2. Total Energy Consumption, Scope 1 and Scope 2 Emissions data are on pause to give way for the GHG inventory exercise to complete.
3. Data are for all Divisions of MFCB Group except Food Security Division and Property Division from 1 January – 31 March 2024.

# SOCIAL DASHBOARD - JAN-MAR 2024

## SOCIAL



**Note:**

1. Data were for all Divisions of MFCB Group from 1 January – 31 March 2024.

# SAFETY DASHBOARD - JAN-MAR 2024

## SAFETY

### Work-Related Injuries



0

Fatalities



0

High  
Consequence  
Injuries



23

Cases

### Work-Related ill Health



0

Fatalities



0

Cases

**Note:**

- 1. Data were for all Divisions of MFCB Group except Food Security Division and Property Division from 1 January – 31 March 2024.
- 2. 22 out of 23 work-related injuries were from Automotive Components Division, which is a new addition to MFCB's quarter reporting. We are working towards identifying the causes of these work-related injuries and implementing the best mitigation plans for the future.

# GOVERNANCE DASHBOARD - JAN-MAR 2024

## GOVERNANCE



0

**Confirmed Incidents Of Corruption**



0

**Confirmed Incidents Of Non-compliance With Laws And Regulations**



0

**Legal Actions For Anti-Competitive Behaviour, Antitrust, And Monopoly Practices**



0

**Complaints Received Concerning Breaches Of Customer Privacy**



0

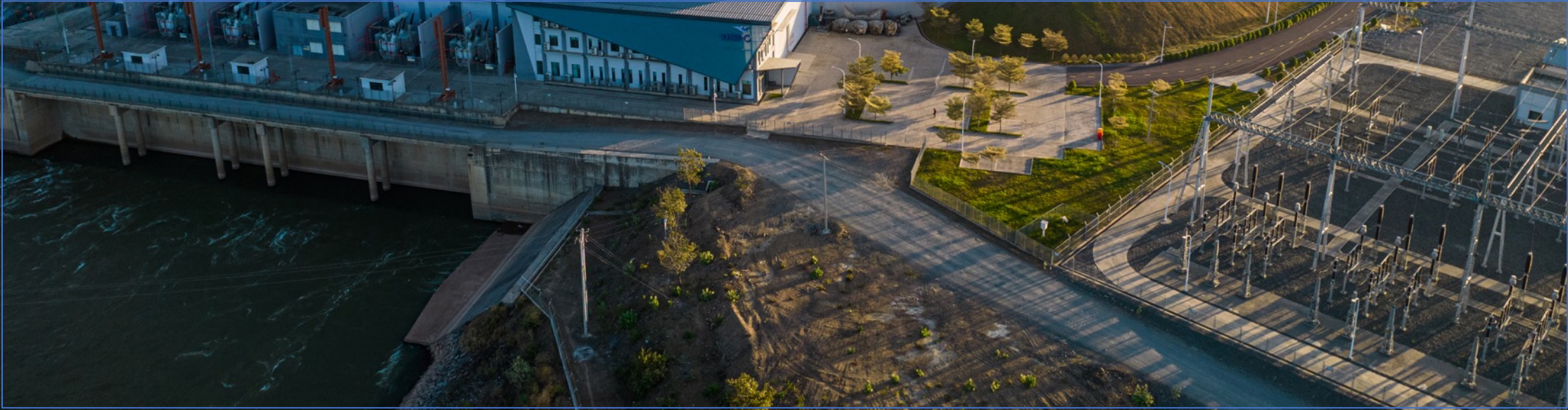
**Identified Leaks, Thefts, Or Losses Of Customer Data**

**Note:**

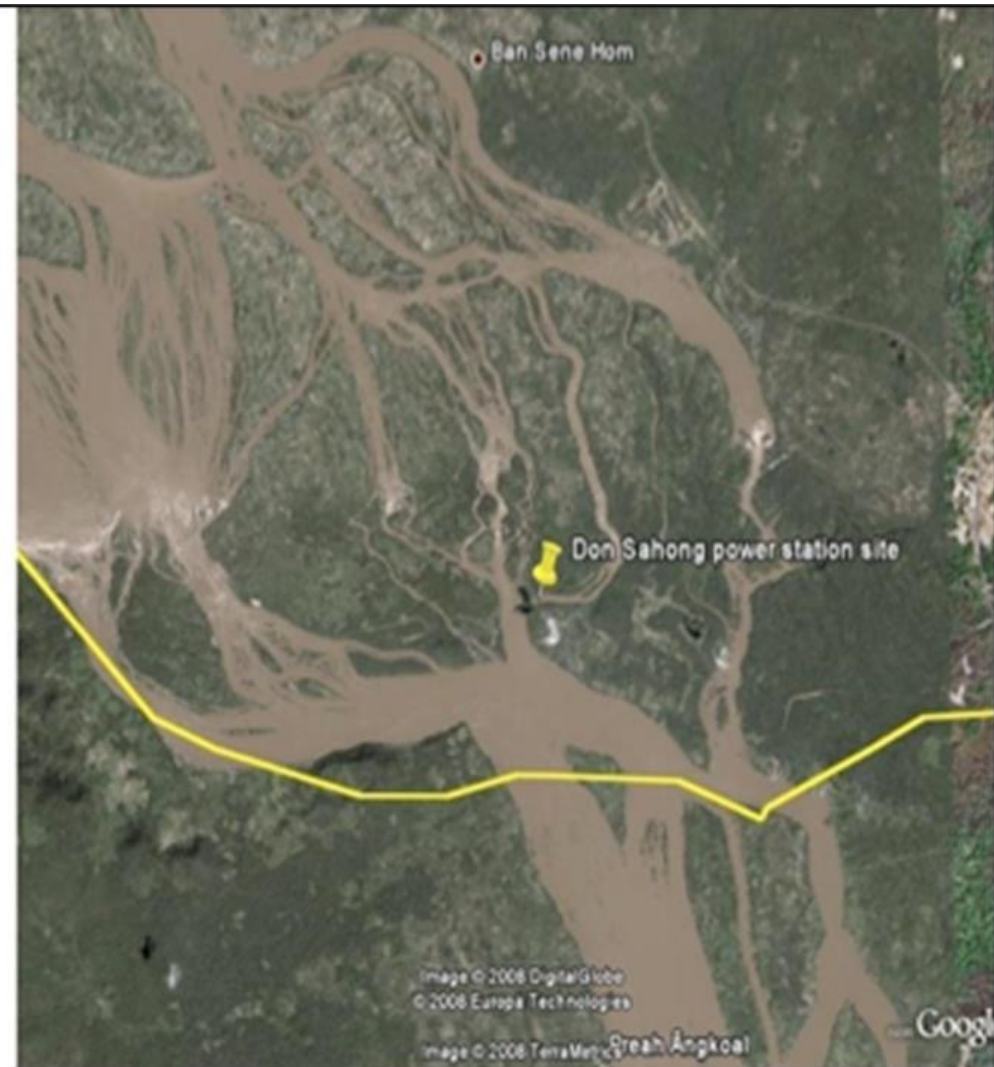
1. Data were for all Divisions of MFCB Group except Food Security Division and Property Division from 1 January – 31 March 2024.

**Remaining Slides for Reference  
(Updated)**

# RENEWABLE ENERGY DON SAHONG



# RENEWABLE ENERGY DIVISION DON SAHONG





# RENEWABLE ENERGY DIVISION

## DON SAHONG

- 260 MW run-of-river hydropower project located on the mainstream of the Mekong River in Southern Laos.
- High projected average Energy Availability Factor (EAF) of 89% (2023: 91.4%) compared to other large hydro of between 40-70%.
- Projected average energy generation 2,028 GWh per annum (based on base case 89% EAF).
- Based on 80 years hydrology data, projected EAF fluctuation +/- 3% from base case.
  - Location advantage providing relatively consistent yearly water flow rate.
- Nearly all power evacuated to Cambodia via two G-to-G PPA contracts signed in 2019 totaling almost 700 MW.
- Smooth revenue collection. Receivable turnover averaging 4-5 months.

# RENEWABLE ENERGY DIVISION DON SAHONG



# RENEWABLE ENERGY DIVISION DON SAHONG



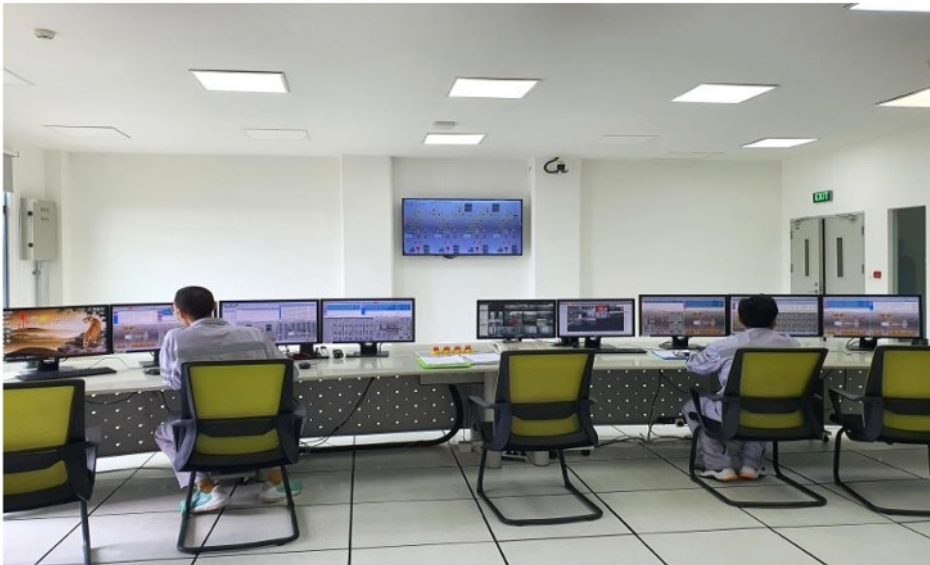
# RENEWABLE ENERGY DIVISION DON SAHONG



# RENEWABLE ENERGY DIVISION DON SAHONG



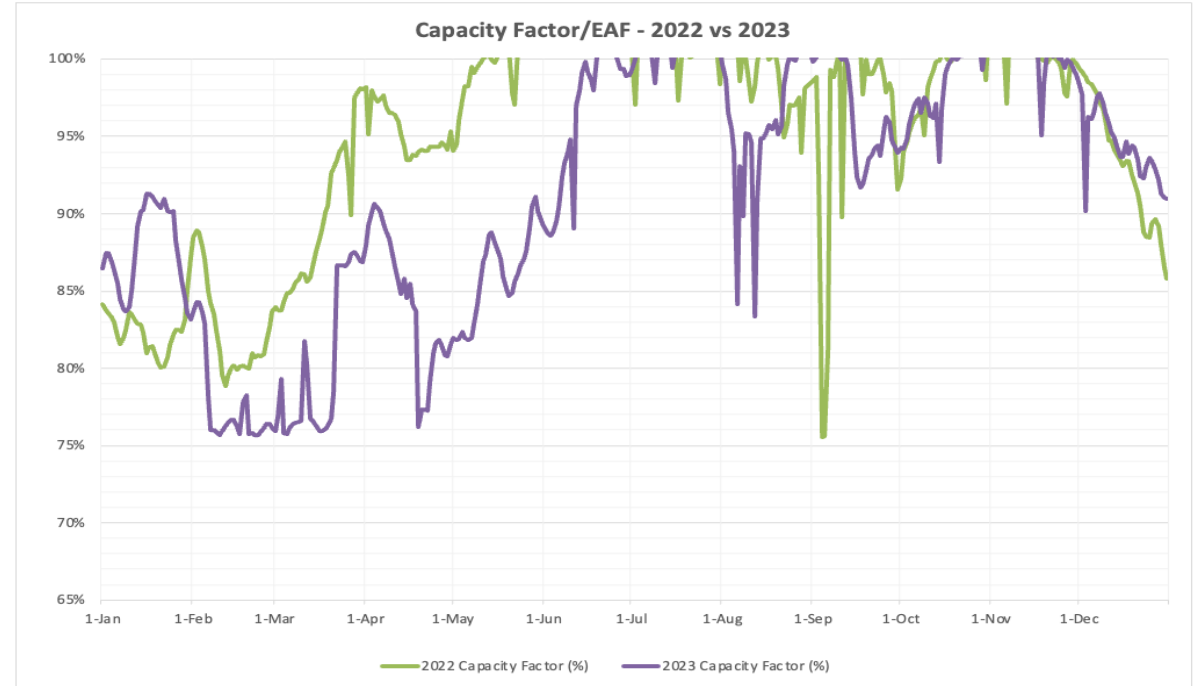
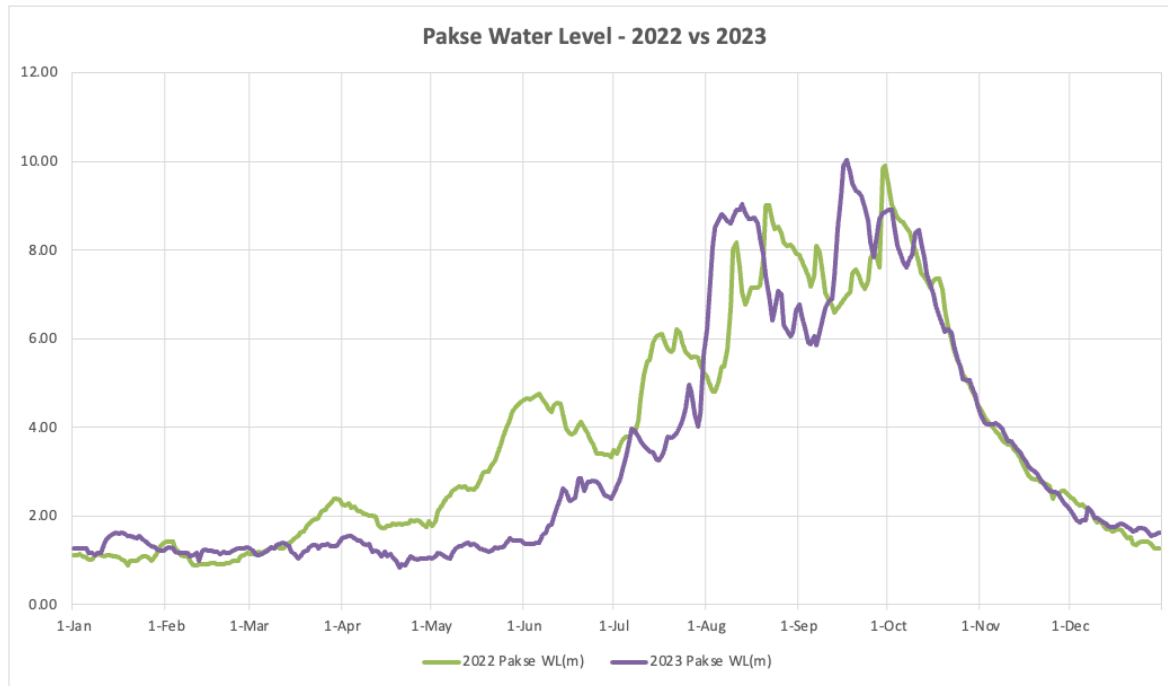
# RENEWABLE ENERGY DIVISION DON SAHONG



# RENEWABLE ENERGY DIVISION

## DON SAHONG

Don Sahong : 2022-2023 Pakse Water Level and Capacity Factor/EAF





# RENEWABLE ENERGY C&I SOLAR



# RENEWABLE ENERGY DIVISION C&I SOLAR



# RENEWABLE ENERGY DIVISION FINANCIAL HIGHLIGHTS

5-Year Earnings Summary						
(RM'000)	2019	2020	2021	2022	2023	3M2024
Revenue						
- Energy	35,086	510,214	533,864	596,925	606,163	137,685
- Construction	435,289	-	-	-	-	-
	<b>470,375</b>	<b>510,214</b>	<b>533,864</b>	<b>596,925</b>	<b>606,163</b>	<b>137,685</b>
Profit before tax						
- Energy	24,976	372,086	385,585	419,698	437,557	88,778
- Construction	157,506	-	-	-	-	-
	<b>182,482</b>	<b>372,086</b>	<b>385,585</b>	<b>419,698</b>	<b>437,557</b>	<b>88,778</b>

# RENEWABLE ENERGY DIVISION STRATEGY & STRENGTH

## Strategy

- Leveraging current strong and stable cashflow of approx. RM500 mil per annum from existing RE portfolio to pursue selective RE opportunities in the region.

## Strength

- Strong project management/execution track record → Don Sahong completed significantly below budget and ahead of schedule.
- Effective cost management vis-à-vis peers → Don Sahong's cost/MW of US1.4 million is significantly below industry averages and lower than cost of thermal plant.
- Healthy balance sheet.
- Strong cashflow from existing RE portfolio → approx. RM500 million p.a.

# RENEWABLE ENERGY DIVISION INVESTMENT APPROACH

- New investments must fulfil the following criteria:
  - 1) Attractive project IRR (varies between markets)
  - 2) Project manageability
  - 3) Project bankability
  - 4) Project risk acceptability
- Avoid herd instinct.
- Strict investment discipline.

A large stack of brown corrugated cardboard sheets is shown, with a roll of twine or rope in the center. The cardboard sheets are stacked in a way that creates a central channel where the twine is placed. The twine is a light brown color and is coiled into a thick, cylindrical shape. The background is slightly blurred, showing the arms and hands of people in blue shirts, suggesting a warehouse or industrial setting.

**PACKAGING**




# PACKAGING DIVISION

## Mission statement

**“To become a leading provider of innovative, environmentally sustainable, safe and competitive packaging solutions”**

The division currently manufactures and sells paper bags, flexible packaging products, and stickers and labels.

## Global trends

- Consumers and our customers, notably the MNCs, are increasingly concerned with the damaging impact of packaging solutions to the environment.
- As a result, the world is increasingly making a conscientious shift towards using recyclable and environmentally friendly packaging materials.
- Examples of demand shift:
  - 1) Plastic bags  Paper bags
  - 2) Hard plastic containers  Light weight flexible plastic wrappers/pouches
  - 3) Multi-family-material  Single-family-material flexible plastic packaging

# PACKAGING DIVISION

## DIFFERENTIATING STRATEGY

- We develop packaging solutions that promote the use of ONLY fully recyclable materials (e.g. paper and mono-family plastic materials).
- Malaysia's first and only manufacturer that only uses 100% toluene-free print ink and solvent-free lamination process to ensure the highest food safety standards.
- Latest state-of-the-art manufacturing line to deliver superior speed, efficiency, flexibility and cost effectiveness.
- Acquisition of Stenta in July 2021 strengthens product development and innovation capabilities and helps improve overall supply chain management, which will in turn enhance the overall customer satisfaction and experience.
- Currently serving primarily the F&B sector, there has been initial efforts to expand into the E&E, semiconductor and medical device space.
- Cohesive and experienced management team who are shareholders of the respective subsidiaries.

# PACKAGING DIVISION STATE-OF-ART MACHINERY

Fuji Kikai Printing Machine



Fuji Kikai 14 colours Rotogravure Printing Machine





# PACKAGING DIVISION STATE-OF-ART MACHINERY

Super Combi 5000



Super Combi 5000 Lamination Machine



# PACKAGING DIVISION STATE-OF-ART MACHINERY



Flat Handle Paper Bag Machine



Twisted Handle Paper Bag Machine

# PACKAGING DIVISION STATE-OF-ART MACHINERY



SOS Machine



Flat & Satchel Bag Machine

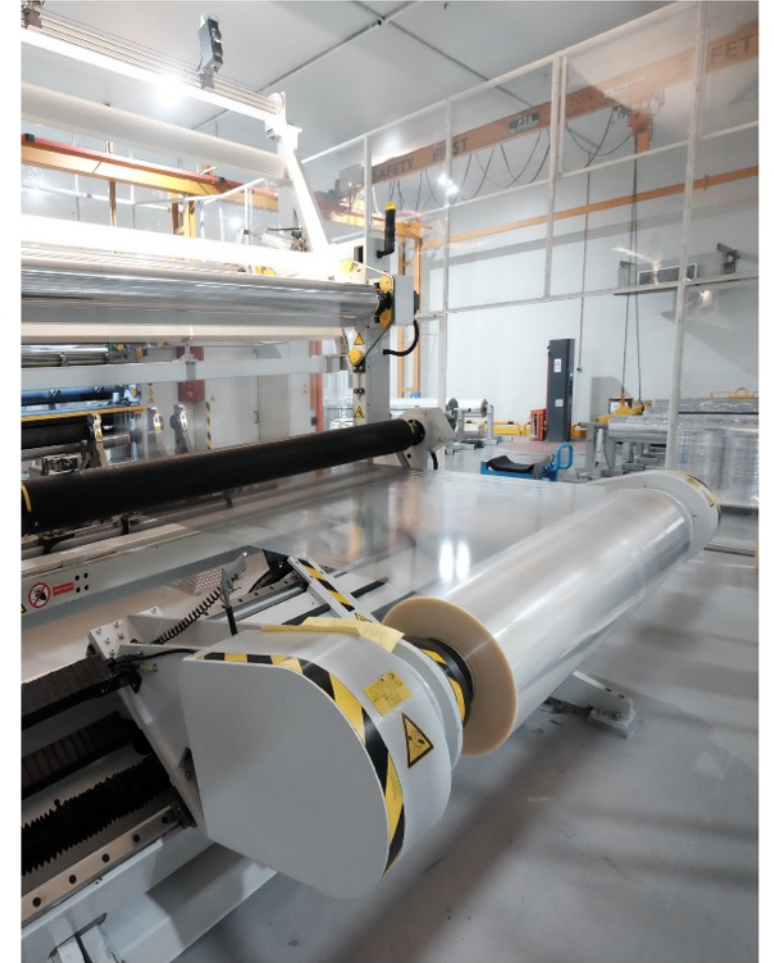
# PACKAGING DIVISION STATE-OF-ART MACHINERY



Reifenhauser LLDPE Line



Vacuum Metallizer



Slitter for Metallized Film

# PACKAGING DIVISION STATE-OF-ART MACHINERY



Reifenhauser LLDPE Line



Vacuum Metallizer

# PACKAGING DIVISION STATE-OF-ART MACHINERY



Bruckner OPP Line



High Capacity Roll Slitting and Winding Machine

# PACKAGING DIVISION 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



Electronic Packaging  
BOPP/ALUM/LLDPE



# PACKAGING DIVISION PRODUCT RANGE



***Flat & Satchel  
Bags***

***Window  
Bags***

***Wrapper***

***Can End  
Sleeve***

***SOS Bag***

***Handle Bag***





# PACKAGING DIVISION PRODUCT RANGE

## Beverage Labels



## Lubricants Labels



## General Labels



## Header Cards and Tag



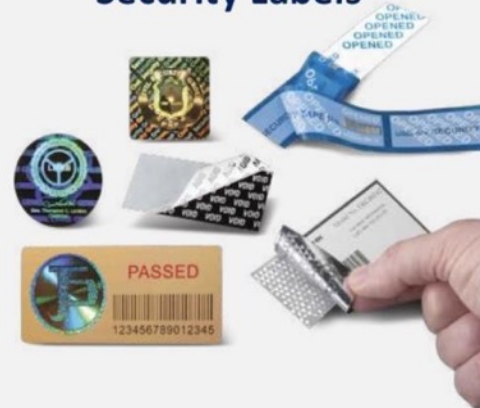
## Silkscreen Labels



## Pharmaceutical Labels



## Security Labels



## Electronic Labels



# PACKAGING DIVISION FINANCIAL HIGHLIGHTS

5-Year Earnings Summary						
(RM'000)	2019	2020	2021	2022	2023	3M2024
Revenue	68,427	97,775	208,217	398,964	402,341	102,819
Profit before tax	(501)	9,461	22,219	33,546	33,600	8,595

# RESOURCES



# RESOURCES DIVISION PROFILE

- Largest quicklime producer in Malaysia with 1,960 tonne per day installed kiln capacity.
- Owned 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.
- 2023 sales volume: approx. 460,000 tonnes.
- Domestic 34%; Export 66%.


# RESOURCES DIVISION 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

# RESOURCES DIVISION

## MISSION & FINANCIAL HIGHLIGHTS

### Mission

- To be the leading lime producer in the region
- 2015-2018: Completed massive expansion plan. +160% increase in kiln capacity  
760 tonnes  1,960 tonnes per day
- Current plant utilisation rate approx. 70%

### Financial Highlights

5-Year Earnings Summary						
(RM'000)	2019	2020	2021	2022	2023	3M2024
Revenue	143,624	142,819	154,880	206,324	202,893	63,763
Profit before tax	16,460	18,766	16,725	17,385	23,297	14,440

**INVESTMENT IN JOINT VENTURE  
EDENOR TECHNOLOGY**

# INVESTMENT IN JOINT VENTURE EDENOR TECHNOLOGY

- A 50:50 JV between MFCB and 9M Technology Sdn Bhd (RM40 million paid up capital).
- Set up to acquire Emery's Asia Pacific oleochemical business from Sime Darby Plantation Berhad and PTT GC International Limited ("Acquisition").
- The Acquisition was completed on 1 November 2021 at an Initial Purchase Price of RM38 million.
- The Purchase Price was subsequently adjusted down to RM12.6 million post EY review (Final Purchase Price).

## Who is 9M Technology?

- Founded by a team of senior oleochemical specialists led by Mr AK Yeow, 9M Technology will be primarily responsible for the management of the oleochemical business.
- Mr AK Yeow, a chemist by training and retired from KL Kepong Berhad as the MD of the oleochemical division in 2018, has more than 35 years of experience in the oleochemical industry.



# INVESTMENT IN JOINT VENTURE EDENOR TECHNOLOGY

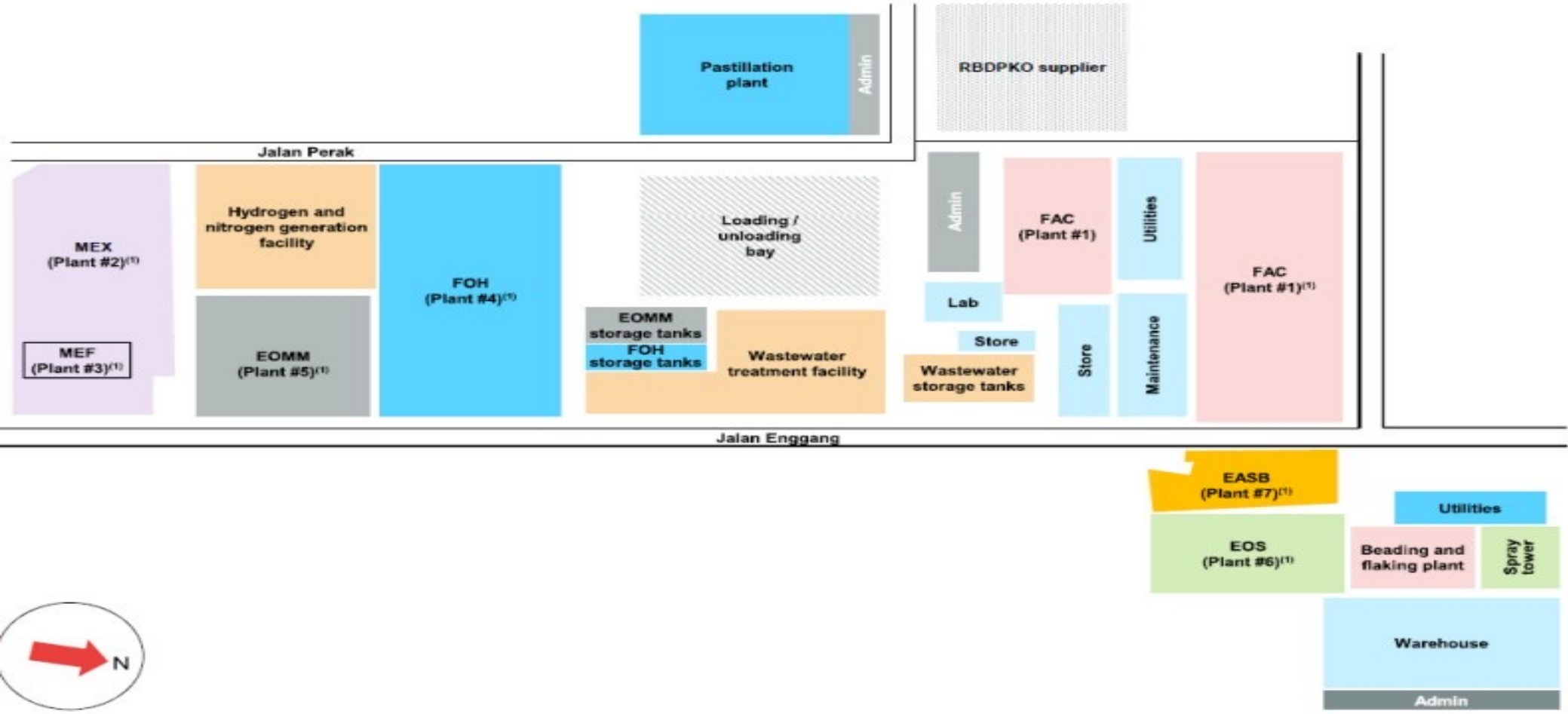
## Emery's Asia Pacific business

- Integrated 300,000-tonne per annum capacity oleochemical complex on a 34-acre site at Telok Panglima Garang.
- Original plant cost: > RM1.1 billion
- Plant book value @ 31 Oct 2021: approx. RM430 million
- Plant Acquisition Value: RM73 million (including Land & Building valued at RM151 million)
- Produces both basic oleo products and specialty chemicals for both the domestic and export markets.
- Potential annual revenue: RM1.5 billion
- Pre-acquisition estimated loss: RM70-75 million a year (2019-2020)

# EDENOR TECHNOLOGY PLANT SITE



# EDENOR TECHNOLOGY PLANT LAYOUT



# EDENOR TECHNOLOGY TPG PLANT



# INVESTMENT IN JOINT VENTURE TURNAROUND STRATEGY

- Full set of new management team in place.
- Major cultural and operational transformation underway.

## Key turnaround strategies

- Simplify management processes: leaner, and more responsive and effective.
- Revamp purchasing, lower cost of goods/services: contract renegotiation, review supplier lists.
- Raise capacity utilisation to >90%: debottlenecking, plant modification, process improvements.
- Improve plant efficiencies, minimise plant shutdown and accidents by implementing comprehensive maintenance program and safety measures.
- Centralised daily monitoring of raw material prices and selling prices of finished goods to achieve desired value-added margin targets using hedging tools, where necessary.
- Comprehensive review of staffing requirements to reduce excesses and raise staff productivity.

A photograph of a lush green orchard with rows of trees. The trees are supported by wooden stakes. The ground is covered in green grass. The sky is blue with some white clouds. The text "FOOD SECURITY" is overlaid in the center of the image in a bold, white, sans-serif font.

**FOOD SECURITY**

# FOOD SECURITY

## “RESPECT NATURE, WORK WITH NATURE”

- Water and irrigation key to sustainable cultivation:
  - 1) Protect and improve O’plai River catchment areas to collect and store rainwater;
  - 2) Development wetland pockets, creation of mini lakes along extensive riparian corridors.
- Development of comprehensive transport network: >50 km roads and a dozen bridges constructed, benefitting local farmers and community.
- Land rejuvenation programme after years of abuse by illegal logging and land clearing methods.
- Engage and build relationship with, and improve livelihood of local “asli” communities, an important source of labour, a major source of friction, and an integral part of MFP’s CSR commitment.
- Promote food self-sufficiency within local community through ready availability of garden greens and freshwater fish.



# FOOD SECURITY



- 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.
- Main crops: coconut & macadamia.
- Cumulative investment as at 31 March 2024: RM145 mil (including land cost).



# FOOD SECURITY CAMBODIA



# FOOD SECURITY CAMBODIA



# FOOD SECURITY CAMBODIA



# FOOD SECURITY MALAYSIA



# FOOD SECURITY MALAYSIA



# FOOD SECURITY MALAYSIA



**JAMBU AIR, PINK GUAVA AND CEMPEDAK FROM AYER HITAM FARM**

# FOOD SECURITY MALAYSIA



**NANGKA FROM JEMALUANG FARM**

# FOOD SECURITY MALAYSIA



**CALAMANSI, PANDAN COCONUT & CURRY LEAF FROM BIODESARU/SEDILI FARM**



# FOOD SECURITY MALAYSIA



**DURIAN FROM ULU TIRAM FARM**

**THANK YOU!**