MFCB

MEGA FIRST CORPORATION BERHAD

4Q2021 AND 2021 RESULTS BRIEFING

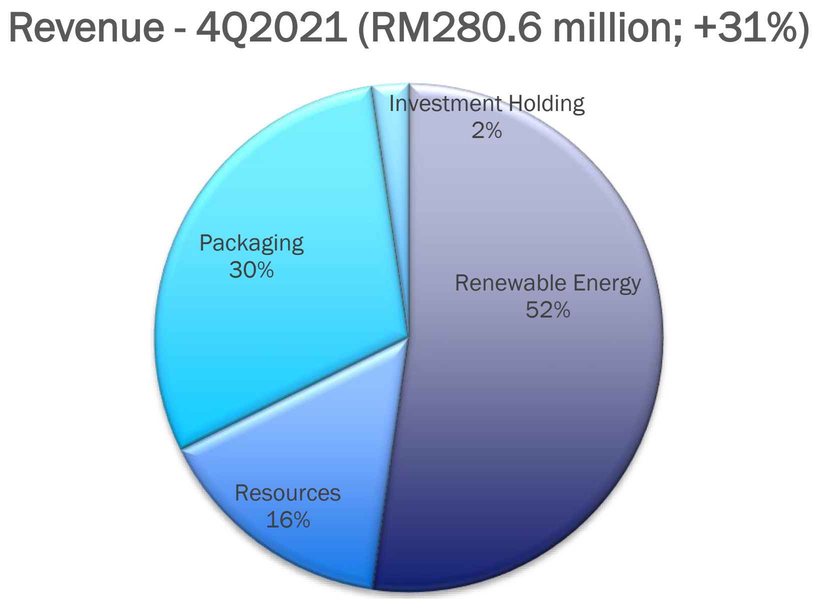
28 FEBRUARY 2022

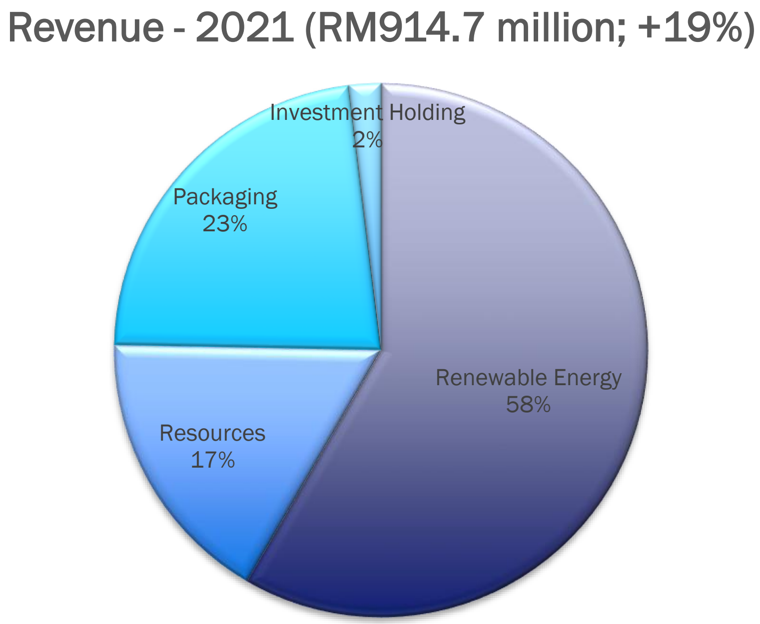
Yeow See Yuen

AGENDA

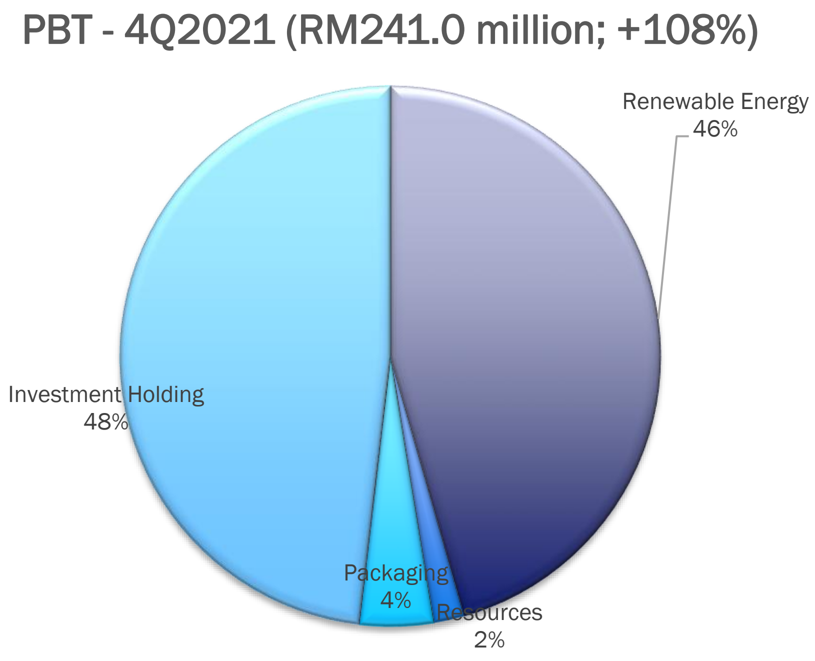
1. 4Q2021 and year 2021 financial review:
    - Earnings review
    - Balance Sheet review
    - Cash Flow review
    - Gearing position
    - Dividend
2. Renewable Energy Division
1. Packaging Division
2. Resources Division
4. Investment in joint venture Edenor Technology
5. Plantation update

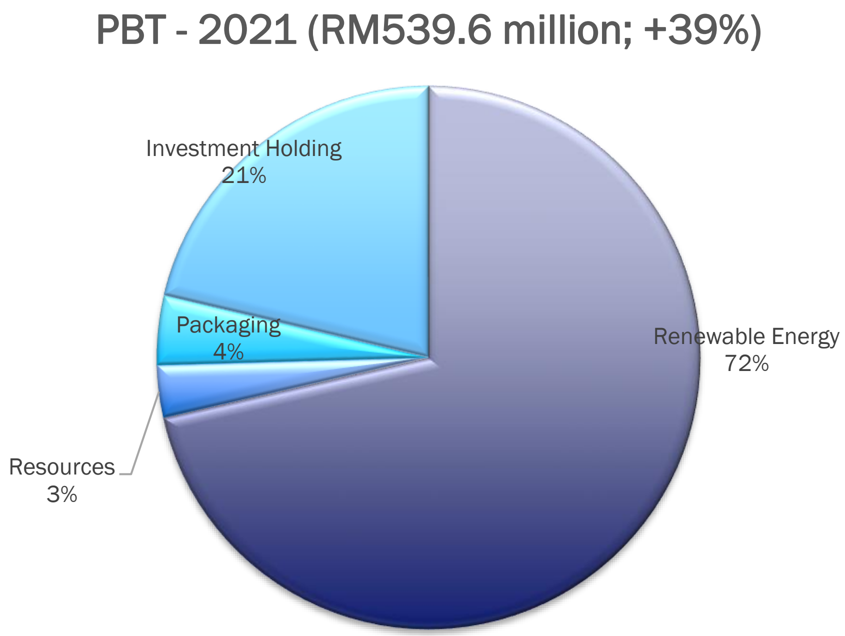
FINANCIAL REVIEW – REVENUE





FINANCIAL REVIEW – PRE-TAX PROFIT





FINANCIAL REVIEW – EARNINGS BREAKDOWN

	4Q2021 RM'000	4Q2020 RM'000	% change	2021 RM'000	2020 RM'000	% change
Continuing Operations						
Revenue						
Renewable Energy	146,641	139,008	5%	533,864	510,214	5%
Resources	43,329	40,660	7%	154,880	142,819	8%
Packaging	84,105	28,805	192%	208,217	97,775	113%
Investment holding & others	6,544	5,498	19%	17,712	16,318	9%
Total Revenue	**280,619**	**213,971**	31%	**914,673**	**767,126**	19%
PBT						
Renewable Energy	109,901	111,374	-1%	385,585	372,086	4%
Resources	4,385	5,446	-19%	16,725	18,766	-11%
Packaging	10,671	3,824	179%	22,219	9,461	135%
Investment holding & others	116,031	(4,557)	-2646%	115,051	(11,048)	-1141%
Total PBT	**240,988**	**116,087**	108%	**539,580**	**389,265**	39%
Income Tax	(4,406)	(6,323)	-30%	(8,915)	(11,085)	-20%
PAT	**236,582**	**109,764**	116%	**530,665**	**378,180**	40%
PAT attributable to owners of Company	**212,806**	**93,052**	129%	**462,330**	**321,290**	44%

RENEWABLE ENERGY DIVISION

Renewable Energy Division															
(RM million)	**2021**					**2020**					**YoY Change**				
	1Q	**2Q**	**3Q**	**4Q**	**Total**	**1Q**	**2Q**	**3Q**	**4Q**	**Total**	**1Q**	**2Q**	**3Q**	**4Q**	**Total**
Revenue	114.2	138.2	134.9	146.6	533.9	103.3	130.4	137.5	139	510.2	10.6%	6.0%	-1.9%	5.5%	4.6%
PBT	78.2	98.7	98.8	109.9	385.6	64.7	93.7	102.3	111.4	372.1	20.9%	5.3%	-3.4%	-1.3%	3.6%
EAF (%)	81.3	95.2	90.1	97.5	91.1	70.7	86.7	92.5	95.5	86.4	15.0%	9.8%	-2.6%	2.1%	5.4%
Average RM/USD Rate	4.064	4.096	4.130	4.144	4.144	4.180	4.252	4.235	4.203	4.203	-2.8%	-3.7%	-2.5%	-1.4%	-1.4%

4Q2021 vs 4Q2020

- Hydro energy sales +4.6%.
- Solar energy sales +RM1.2 mil to RM1.4 mil on 13.1 MW new capacity.
- Don Sahong Energy Availability Factor (“EAF”) 97.5% vs 4Q2020 95.4%.
- PBT +6.5% if exclude RM8.2 mil income from project cost write back in 4Q2020.

RENEWABLE ENERGY DIVISION (CONT'D)

2021 vs 2020

- Hydro energy sales +3.9%.
- Solar energy sales RM4.0 mil vs. RM0.4 million in 2020 on 13.1 MW new capacity commissioned (cumulative 14.5 MW at 31 Dec 2021).
- Don Sahong average EAF at 91.0% vs 86.4% in 2020, despite longer scheduled turbine maintenance in 2021.
- PBT +6.0%, if exclude RM8.2 million income from project cost write back in 2020.

RESOURCES DIVISION

Resource Division															
(RM million)	2021					2020					YoY Change				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Revenue	44.6	35.5	31.5	43.3	154.9	34.5	26.6	41.00	40.7	142.8	29.3%	33.5%	-23.2%	6.4%	8.5%
PBT	6.0	4.4	1.9	4.4	16.7	4.3	2.0	7.1	5.4	18.8	39.5%	120.0%	-73.2%	-18.5%	-11.2%

4Q2021 vs 4Q2020

- Lime products revenue +4.0%. Other products +32.0% on higher limestone sales.
- Lime products volume +4.5% on stronger local demand, which more than offset 3.0% decline in export volume.
- Domestic demand bolstered by recovery in local economic activities/
- High shipping rates eroded price competitiveness in certain export markets.
- ASP of lime products -0.5% due to a change in the customer sales mix, which more than offset effects of upward price adjustment and a weaker Ringgit against the US Dollar.
- PBT -18.5% due to higher fuel costs and kilns repair expenses.

RESOURCES DIVISION (CONT'D)

2021 vs 2020

- Lime products revenue +5.5% to RM137.5 million.
- Other products revenue +39.2% on demand recovery post more severe MCO measures in 1H2020.
- Lime product volume +5.9% on domestic demand recovery +19.1%, which more than offset 1.5% decline in export volume as a result of escalating shipping costs.
- ASP of lime products -0.3%. Price adjustment more than offset by stronger Ringgit and effects of a change in the customer sales mix.
- PBT -10.9% due to sharp increase in fuel costs and higher kilns repair expenses.
- Average fuel cost +33.5% in 2021.

PACKAGING DIVISION

Packaging Division															
(RM million)	2021					2020					YoY Change				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Revenue	30.7	30.0	63.4	84.1	208.2	19.2	21.6	28.2	28.8	97.8	59.9%	38.9%	124.8%	192.0%	112.9%
PBT	2.6	1.4	7.5	10.7	22.2	0.5	1.7	3.5	3.8	9.5	420.0%	-17.6%	114.3%	181.6%	133.7%

4Q2021 vs 4Q2020

- Stenta contributed RM49.5 mil revenue (4Q2020: nil). Hexachase revenue +20.1%.
- Stenta contributed RM6.3 mil PBT (4Q2020: nil). Hexachase PBT +15.8%.
- Hexachase PBT margin impacted by higher raw material costs.

2021 vs 2020

- Stenta contributed RM83.2 million (5-month revenue). Hexachase revenue +27.8%.
- PBT Stenta contributed RM11.3 mil, Hexachase contributed RM10.9 million.
- PBT margin of Hexachase impacted by higher raw material costs.

FINANCIAL REVIEW: BALANCE SHEET

Changes in Key Balance Sheet Items				
	As at 31.12.2021 (RM million)	As at 31.12.2020 (RM million)	Change (RM million)	Explanation
Service concession asset	1,922	1,932	(10)	RM70.8 MIL translation gain, less RM80.5 MIL amortisation
PPE & ROU assets	540	355	185	Consolidation of Stenta RM109.2 MIL, capex RM109.8 MIL (see below),
				less depreciation and amortisation RM29.9 MIL, less impairment RM5.1 MIL
Investment properties	165	177	(12)	RM10.1 MIL fair value loss, RM1.9 MIL disposal
Inventories (non-current)	43	43	-	No movement
Investment in quoted shares	200	99	101	Fair value gain
Inventories (current)	129	62	67	Consolidation of Stenta RM38.8 MIL, higher inventories in Packaging and
				Resources Divisions
Receiveables	409	307	102	Consolidation of Stenta RM41.8 MIL, prepayment for Don Sahong expansion,
				higher receivables on higher revenue base
Deferred tax liabilities	120	101	19	Consolidation of Stenta RM14.3 MIL, additional from Packaging Division capex
Payables (current)	119	126	(7)	Consolidation of Stenta RM19.6 MIL, less RM31.5 MIL payment to Don Sahong's
				EPCC contractor
Note:				
Main Capex				
(a) RM45.9 MIL Packaging Divison;				
(b) RM34.5 MIL C&I Solar Projectes;				
(c) RM16.3 MIL Plantation Development;				
(d) RM13.1 MIL Others.				

FINANCIAL REVIEW: CASH FLOW

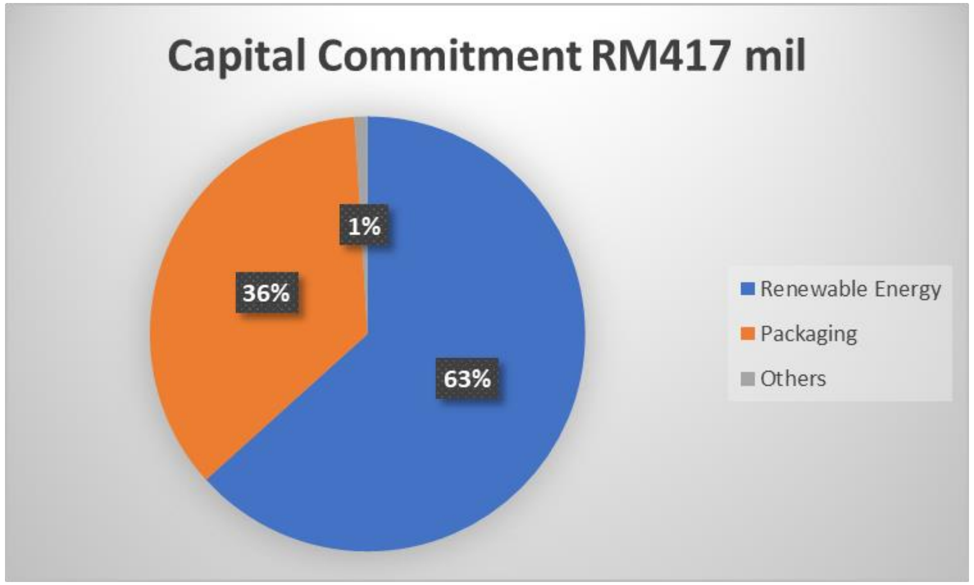
	2021 (RM million)
After-tax cash from operating activities	468.8
Net cash inflow from non-operating investment activities	17.8
New capital from minority shareholders of subsidiaries	8.5
Total cash made avalvable to the Group	**495.1**
Investing Activities	
Acquistion of Stenta	(157.5)
Investment in oleochemical joint venture	(20.0)
Capex	(114.3)
Don Sahong Hydropower Project	(39.2)
Total investment	**(331.0)**
Financing Activities	
Dividends paid to MFCB shareholders	(61.6)
Distribution to minority shareholders of a subsidiary	(7.7)
Finance costs paid to Lenders	(26.8)
Purchase of treasury shares	(6.8)
Total distribution	**(102.9)**
Net cash flow retained by the Group	**61.2**
Translation (Loss) / Gain on USD loans and others	(17.1)
Net cash flow retained by the Group after forex	**44.1**

FINANCIAL REVIEW: GEARING POSITION

MFCB Group Net Gearing			
	As at 31.12.2021 (RM million)	As at 31.12.2020 (RM million)	Change (RM million)
Total Cash	257.6	93.6	164.0
Total Debt	(777.9)	(657.9)	(120.0)
Net Debt	(520.3)	(564.3)	44.0
Equity	2,739.6	2,165.6	574.0
Net Debt / Equity Ratio	**19.0%**	**26.1%**	

FINANCIAL REVIEW: DIVIDEND

- Final Dividend declared: 3.50 sen (2020: 3.25 sen; adjusted for stock split)
- Full year dividend 6.75 sen (2020: 6.25 sen; adjusted for stock split)
- Forward plan: Gradual step-up approx. 10% p.a. to target 30-40% payout, subject to cash flow requirement.
- Capital commitment at 31 Dec 2021: **RM417 mil.**
  - Renewable Energy: 5^{th} turbine + Solar
  - Packaging: 2 new factories + capacity expansion.
- Selective Investments and M&A explored for further growth.



RENEWABLE ENERGY DIVISION – CURRENT PORTFOLIO

Completed capacity: 275 MW

- Hydro: 260 MW
- Solar: 15 MW

Capacity secured/under construction: 90 MW

- Hydro: 65 MW
- Solar: 25 MW

Total Capacity: 365 MW

- Hydro: 325 MW
- Solar: 40 MW

RENEWABLE ENERGY DIVISION – CURRENT PORTFOLIO

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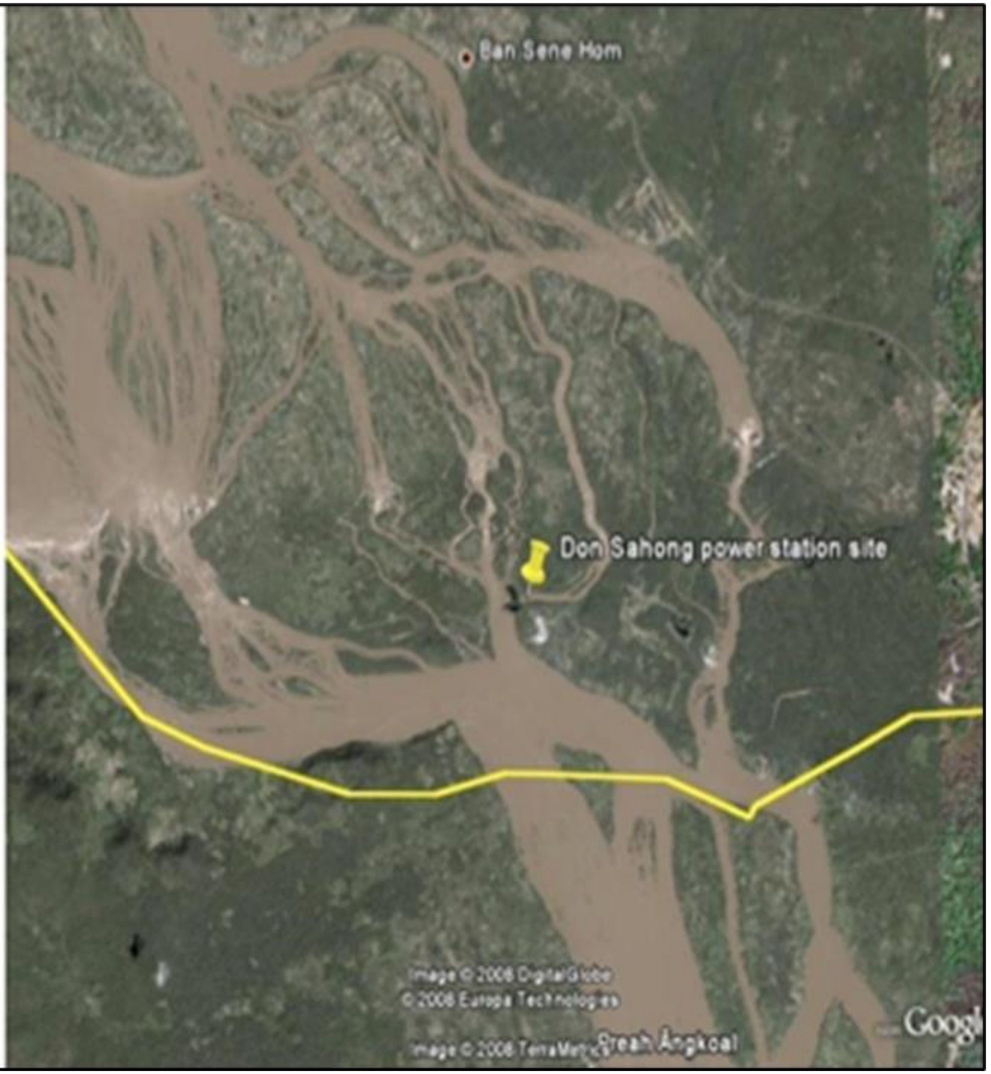
RENEWABLE ENERGY DIVISION – CURRENT PORTFOLIO

RENEWABLE ENERGY DIVISION – DON SAHONG

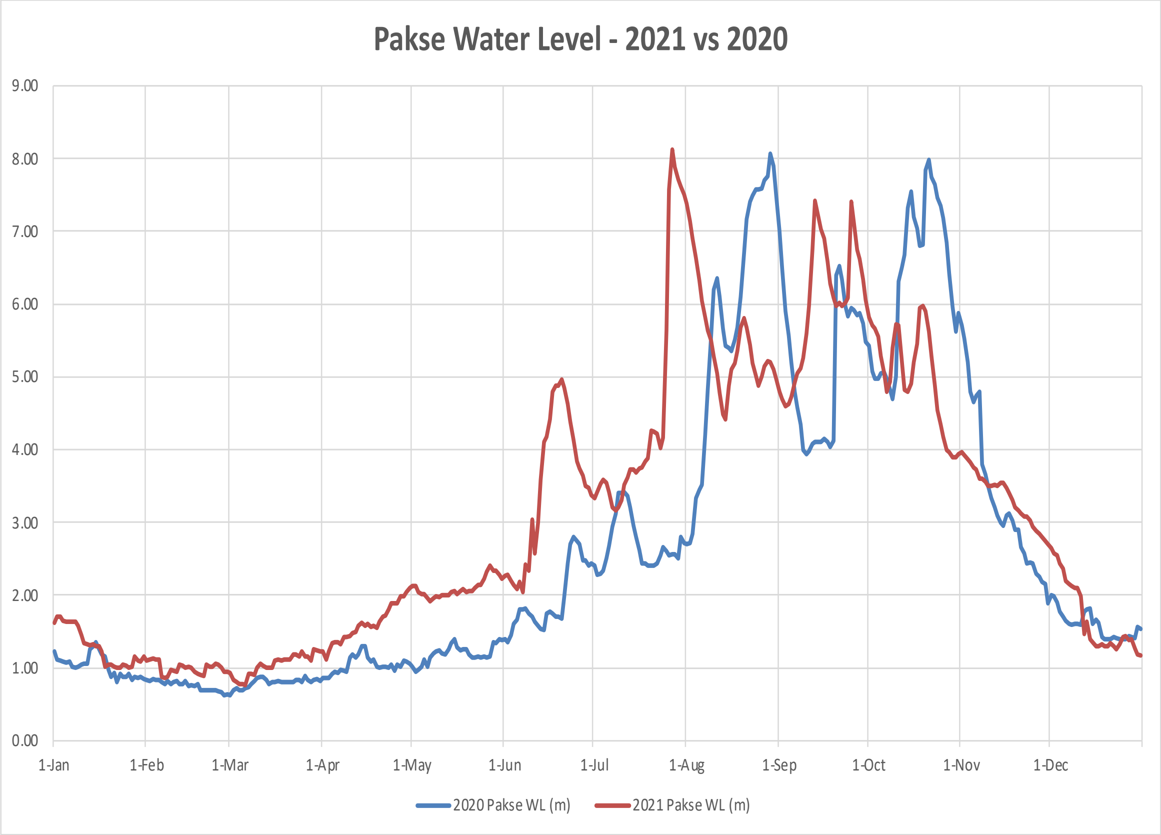
- 260 MW run-of-river hydropower project located on the mainstream of the Mekong River in southern Laos.
- High projected average Energy Availability Factor (EAF) of 89% (2021: 91%) compared to other large hydro of between 40-70%.
- Projected average energy generation 2,028 GWh per annum (based on base 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.

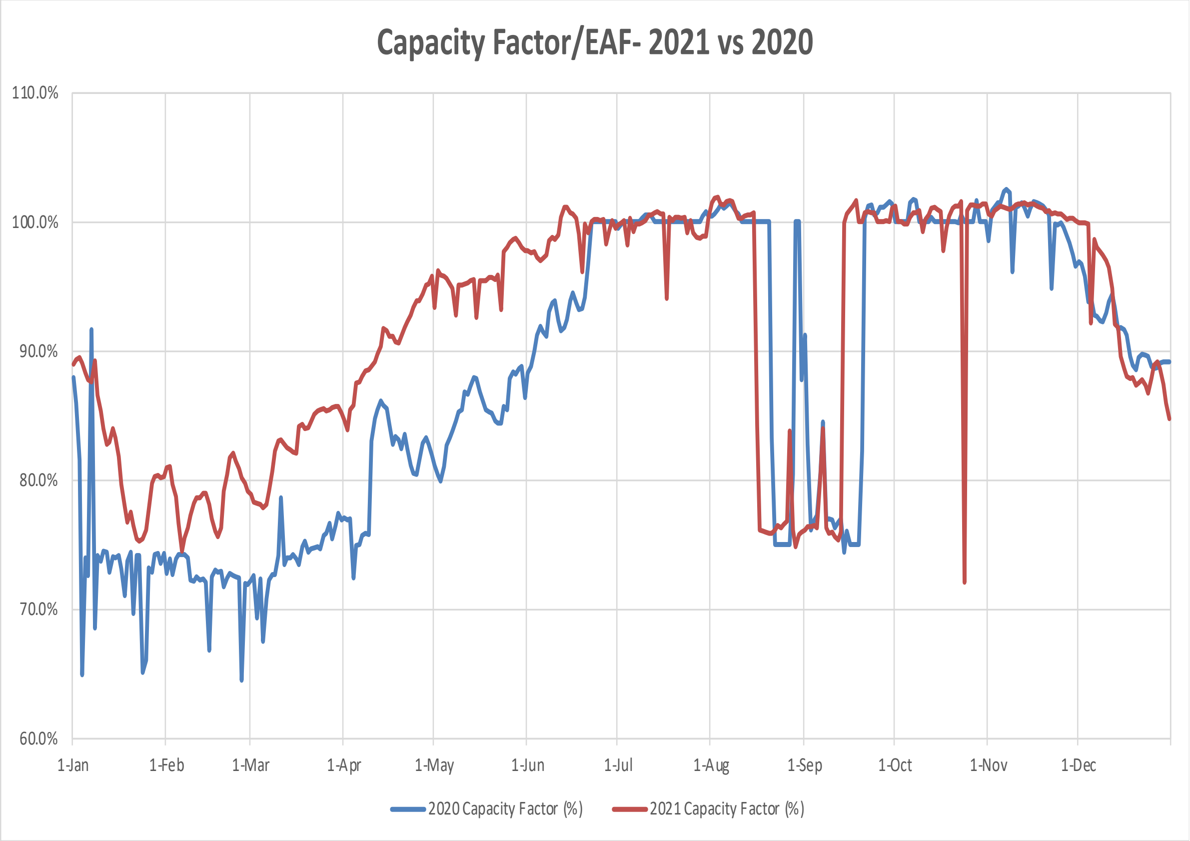
RENEWABLE ENERGY DIVISION – DON SAHONG



RENEWABLE ENERGY DIVISION – DON SAHONG

Don Sahong: 2021 Year to date Pakse Water Level and EAF





RENEWABLE ENERGY DIVISION – STRATEGY & STRENGTH

Strategy

- Leveraging current strong and stable cashflow of approx. RM450 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 → 19% net gearing at 31 Dec 2021.
- Strong cashflow from existing RE portfolio → approx. RM450 million p.a.

RENEWABLE ENERGY DIVISION – INVESTMENT APPROACH

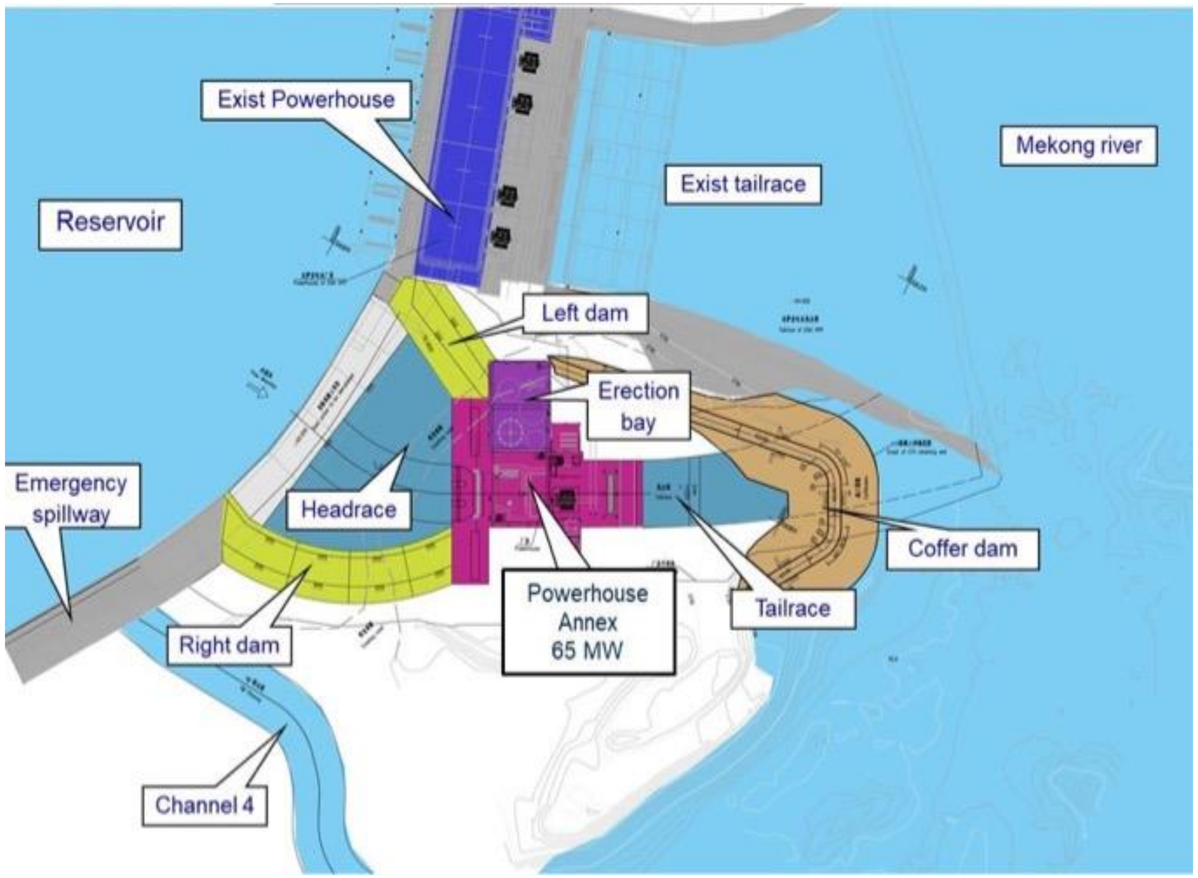
- New investments must fulfil the following criteria:
  1) Attractive project IRR (varies between markets)
  2) Project manageability
  3) Project bankability
  4) Project risk acceptability
- Avoid herd instinct
- Strict investment discipline

RENEWABLE ENERGY DIVISION – EXPANSION

New Projects On Hand

- 65 MW 5th turbine expansion of Don Sahong costing approx. US$65 million or approx. US$1mil/MW (vs US$1.4 mil/MW for the first 4 turbines). Construction commenced in Dec 2021. Expected completion in 3Q2024. Expected EAF 41%.
- 25.3 MW C&I solar projects, of which 6.3 MW estimated completion in June/July 2022, while balance 19.0 MW to be progressively completed over 18 months.
- On-going efforts to secure new C&I solar projects. Plan 15-20MW addition a year.

RENEWABLE ENERGY DIVISION – 5TH TURBINE CONSTRUCTION PROGRESS



RENEWABLE ENERGY DIVISION – FINANCIAL HIGHLIGHTS

5-Year Earnings Summary					
	2017	**2018**	**2019**	**2020**	**2021**
	(RM million)	**(RM million)**	**(RM million)**	**(RM million)**	**(RM million)**
Revenue					
- Energy	-	-	35,086	510,214	533,864
- Construction	645,441	656,228	435,289	-	-
	645,441	656,228	470,375	510,214	533,864
Profit before tax					
- Energy	-	-	24,976	372,086	385,585
- Construction	172,795	177,058	157,506	-	-
	172,795	177,058	182,482	372,086	385,585

RENEWABLE ENERGY DIVISION – PROSPECTS FOR 2022

Hydro Power (Don Sahong)

- Average 2021 EAF 91.0% (2020: 86.4%).
- Current dry season from Nov 2021 to Apr 2022 critical in determining average EAF for 2022.
- Based on y-t-d generation data, and assuming no unusual decline in water level for remaining dry season, 2022 EAF should be sustained at around 2021 levels.
- Positive effects from 1% annual tariff adjustment on 1 Oct.
- 5th turbine construction progressing on schedule. Estimated completion in 3Q2024.

Solar Power (C&I projects)

- Full year contribution from 14.5 MW completed projects at 31 Dec 2021.
- Progressive commissioning of secured new projects:
  - 6.3 MW in Jun/Jul 2022;
  - 19.0 MW over next 18-month period.
- On-going effort to add 15-20 MW per annum.

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 plastic packaging, 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. 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

New Fuji Kikai 14 colours Rotogravure Printing Machine
Expected commissioning in 1Q 2022

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

MFCB acquired Stenta in July 2021.

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

Wafer Packaging
BOPP/MBOPP

Bread Packaging
BOPP/CPP

Outer Bag Packaging
Matte BOPP20/WCPP50

Snack Packaging
BOPP/MBOPP/LLDPE

Tea Packaging
BOPP/MBOPP/CPP

Electronic Packaging
BOPP/ALUM/LLDPE

Sauce Packaging
BOPA/LLDPE

Wicketed Bags
KPET/LLDPE

Cake Packaging
PET/MCPP

Detergent Packaging
PET/White 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 – CUSTOMER BASE

PACKAGING DIVISION – 5-YEAR EXPANSION PLANS

Hexachase

- A new mega factory will be constructed on a 10.4-acre industrial land in Malaka.
- Status: Phase 1 factory building design done; Submission Feb 2022.
- When completed, the new factory will add approximately 273,000 sf of total space from approximately 207,000 sf currently.

Stenta

- A new factory will be constructed on a 6.7-acre land adjacent to its current production site in Bangi, Selangor.
- Status: Phase 1 factory building design done; Submission Feb 2022.
- When completed, the new factory will add 8 LLDPE and 1 CPP line.

Combined Annual Revenue Potential

Before capacity expansion → approx. RM450 million

After capacity expansion → approx. RM1.2 billion

PACKAGING DIVISION – FINANCIAL HIGHLIGHTS

5-Year Earnings Summary					
	2017	2018	2019	2020	2021
	(RM million)	(RM million)	(RM million)	(RM million)	(RM million)
Revenue	51,211	57,433	68,427	97,775	208,217
Profit before tax	740	(4)	(501)	9,461	22,219

PACKAGING DIVISION – PROSPECTS FOR 2022

- Full year contribution from Stenta (2021: 5 months).
- Stenta presently operating at near capacity.
- Hexachase to grow faster than 2021 (2021: Revenue +28%; PBT +15%).
- Bolstered by new production capacities (2021/2022) and increasing demand from existing and new customers, from both domestic and export markets.
- Expects improving PBT margin of Hexachase (2021: 8.6%) on productivity and efficiency gains.
- Hexachase's new production capacities in 2021/2022 expected to be fully taken up by 2023.
- New factories to be built by Stenta and Hexachase (estimated completion 1H2023) to support next 5-year growth roadmap.

RESOURCES DIVISION

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.
- Estimated 2021 sales volume: approx. 440,000 tonnes.
- Domestic 40%; export 60%.

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 & CHALLENGES

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%

Near term challenges

- High and uncertain fuel cost
- High shipping and transport costs
- Port congestion and container shortages
- Changes in regulatory environment e.g. export permit, export tax
- General inflation e.g. labor and packaging materials

RESOURCES DIVISION – MITIGATING MEASURES & FINANCIALS

Mitigating measures

- Export diversion to markets less affected by shipping constraints
- Expanding customer base to mitigate impact from individual customer demand volatility
- Higher stock holdings to lower production disruption and manage price volatility
- Selective price adjustments

Financial Highlights

5-Year Earnings Summary					
	2017	2018	2019	2020	2021
	(RM million)	(RM million)	(RM million)	(RM million)	(RM million)
Revenue	119,945	142,249	143,624	142,819	154,880
Profit before tax	19,295	18,606	16,460	18,766	16,725

RESOURCES DIVISION – PROSPECTS FOR 2022

- Expected higher top line in 2022, barring further economic disruption from Covid-19 and transport disarrangement.
- Domestic volume expected to continue to benefit from a gradual recovery in economic activities.
- Export volume, after declining 1.5% in 2021, projected to rebound following successes in diverting lost export volume to the other less affected regional markets.
- Further cost inflation expected in 2022, mainly from higher fuel and transport costs.
- Management to continuously review pricing strategy and seek ways to improve production efficiencies to mitigate these cost pressures.

INVESTMENT IN 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.

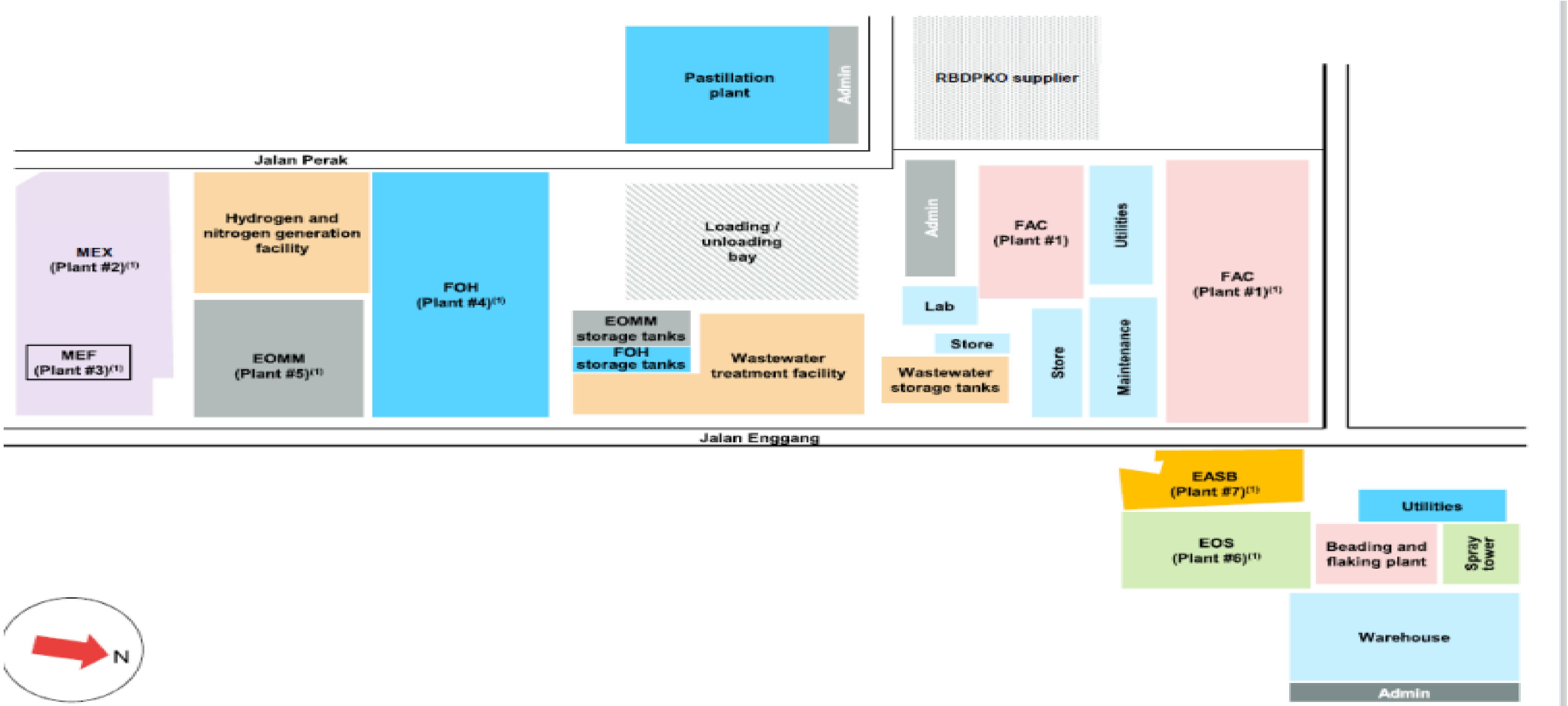
INVESTMENT IN EDENOR TECHNOLOGY

<u>Emery’s Asia Pacific business</u>

- 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).

INVESTMENT IN EDENOR TECHNOLOGY – PLANT SITE

INVESTMENT IN EDENOR TECHNOLOGY – PLANT LAYOUT



INVESTMENT IN EDENOR TECHNOLOGY – TPG PLANT

INVESTMENT IN EDENOR TECHNOLOGY – 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.

INVESTMENT IN EDENOR TECHNOLOGY – FINANCIAL OUTLOOK

- Post-acquisition 2-month Consolidated Edenor earnings:
  - Profit RM244 million (Including one-off unallocated bargain gain recognised as income)
  - Loss RM6.6 million (Excluding unallocated bargain gain)
  - Reduced 2-month loss despite maintenance shutdown of Fatty Acid plant in Dec and higher repair & maintenance cost of RM4.5 million during shutdown, supported by effective turnaround strategy.
- Management is optimistic 2022 results will be satisfactory.

PLANTATION UPDATE

1) Background

- Main crops: coconuts & macadamia
- Cumulative investment as at 31 Dec 2021: RM96 mil (including land cost)

2) Land

- 50-year concession on 6,420 hectares
- Est. plantable area: 4,500 hectares
- Cumulative area planted as at 31 Dec 2021: 2,159 Ha

  (i) Coconut: 1,862 Ha

  (ii) Macadamia: 293 Ha

  (iii) Others: 4 Ha

3) Plans

- Planned planting in 2022: 500 hectares
- Target to complete planting by end of 2025.
- Evaluating various downstream processing businesses.
- Not expected to contribute positively to earnings until after 2026.

PLANTATION UPDATE – PLANTING PHILOSOPHY

"RESPECT NATURE, WORK WITH NATURE"

- Water and irrigation key to sustainable cultivation:
  (i) Protect and improve O'plai River catchment areas to collect and store rainwater;
  (ii) 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 labor, 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.

PLANTATION UPDATE

MFCB obtained approval from the Royal Government of Cambodia for the concession of a plot of land measuring 6,420 hectares situated in the Namlear Wildlife Sanctuary Zone, Mondulkiri Province, Kingdom of Cambodia for agricultural development.

The term of the concession is 50 years, commencing from 29 April 2013.

Mondulkiri 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 UPDATE

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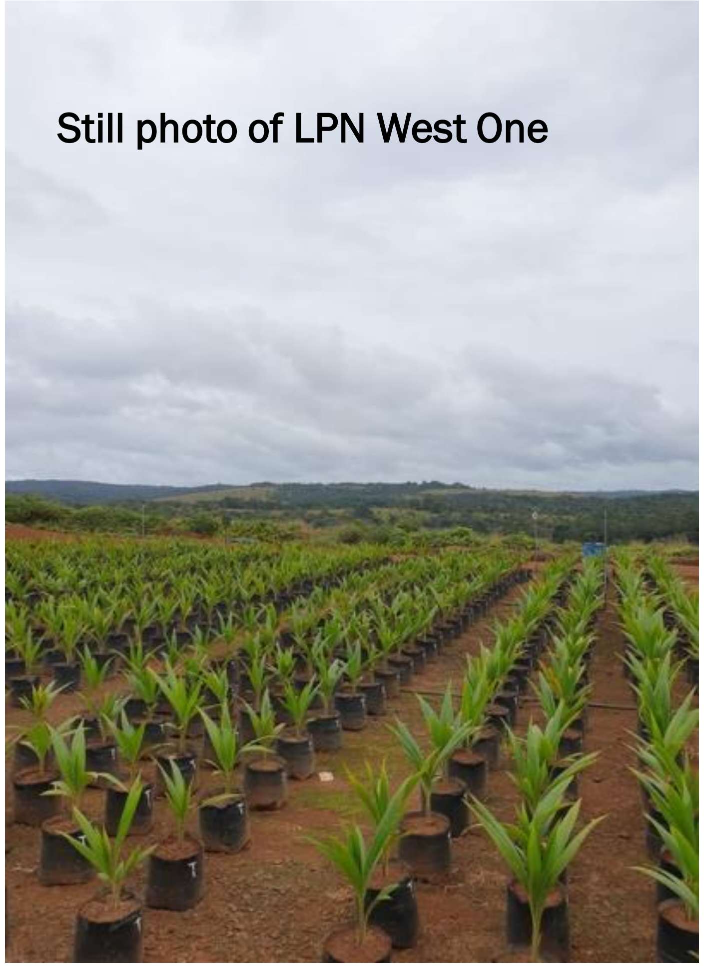

PLANTATION UPDATE

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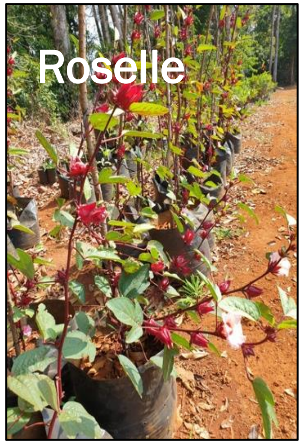

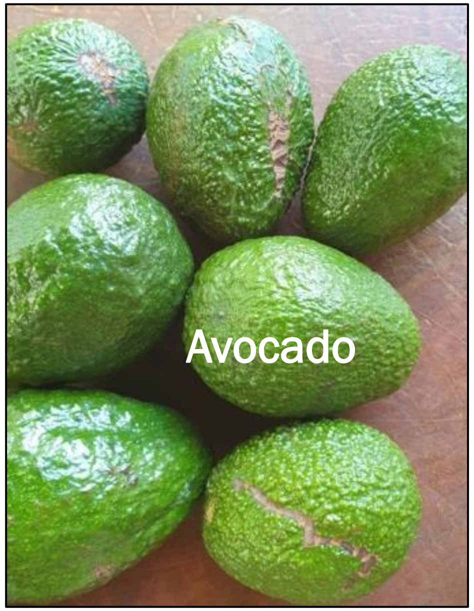

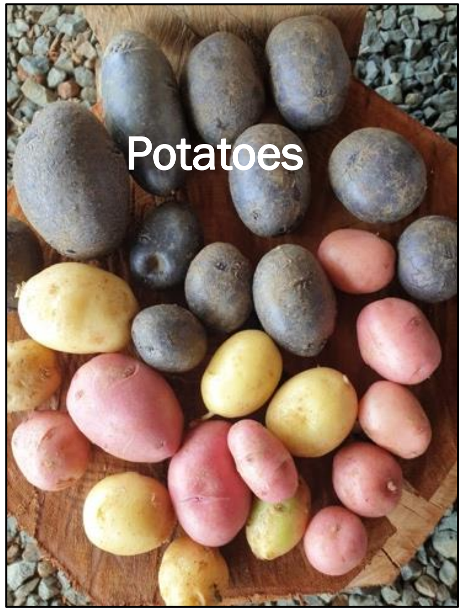

THANK YOU