

**MEGA FIRST CORPORATION BERHAD**

Reg. No. 196601000210 (6682-V)  
(Incorporated in Malaysia)

**MINUTES OF THE 58<sup>TH</sup> ANNUAL GENERAL MEETING HELD VIRTUALLY AT THE BROADCAST VENUE AT THE CONFERENCE ROOM, A-12-01 LEVEL 12, BLOCK A, PJ8, 23 JALAN BARAT, SEKSYEN 8, 46050 PETALING JAYA, SELANGOR DARUL EHSAN ON TUESDAY, 21 MAY 2024 AT 10:00 A.M.**

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**PRESENT:**

At Broadcast Venue:

Mr Goh Nan Kioh *Chairman*  
Mr Khoo Teng Keat  
Mr Neo Hong Chee  
Ms Foo Wen Yunn *Company Secretary*

Via Video-conferencing

Mr Tay Kheng Chiong  
Mr Yeow See Yuen  
Mr Goh Nan Yang  
Ms Goh Mei Sze  
Mr. Au Siew Loon  
Datuk Hj. Pengiran Saifuddin bin Pengiran Tahir  
Dato' Setia Prof Dr Tan Hui Ming  
Datin Jeyanthini a/p M. Kannaperan  
Mr. Jesper Bjorn Madsen  
Ms. Lui Soek Kuen  
Mr Oon Kien Hoe *Partner, Crowe Malaysia PLT (External Auditors)*

A total 222 attendees, as recorded in the attendance list

**1. PRELIMINARY**

Mr Goh Nan Kioh who is the Chairman of the Board of Directors, took the Chair at 10:00 a.m. He welcomed everyone to the virtual AGM conducted via Remote Participation and Voting Facilities ("RPV") at the broadcast venue.

**2. NOTICE OF MEETING**

The notice convening the 58<sup>th</sup> Annual General Meeting ("the Meeting") issued on 23 April 2024, which was available at the Company's website and circulated within the prescribed period, was taken as read.

**3. QUORUM**

The Secretary confirmed that there is a quorum for the Meeting and the notice convening the meeting has been given to members and advertised in the newspapers within the prescribed period. The requisite quorum being present, the Chairman called the Meeting to order at 10:05 a.m.

**4. INTRODUCTION OF THE BOARD MEMBERS**

The Chairman introduced the Board Members, the Financial Controller and the External Auditor, who were present at the Broadcast Venue as well as in attendance via video conferencing.

**5. POLL VOTING**

The Chairman informed that all resolutions set out in the notice of the Meeting would be voted by way of poll pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad.

The Chairman also informed that the Company has appointed SS E Solutions Sdn Bhd (“**SSES**”) as Poll Administrator to conduct the poll voting electronically while Commercial Quest Sdn Bhd has been appointed as Scrutineers to verify the poll results.

A short video by SSES was played to demonstrate the process of online voting conducted via Securities Services e-Portal at <https://sshbs.net.my>. The online voting via Securities Services e-Portal had commenced from the start of the Meeting at 10.00 a.m. onward until the voting session was closed.

**6. PRESENTATION ON THE OVERVIEW OF THE GROUP’S PERFORMANCE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

The Chairman invited Mr Khoo Teng Keat, the Executive Director of the Company, to deliver a presentation on the overview of the Group’s Performance for the financial year ended 31 December 2023.

A copy of the presentation slide is annexed herein and marked as Appendix I.

**7. DIRECTORS’ REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

The Chairman informed that the Audited Financial Statements for the financial year ended 31 December 2023 (“FY2023”) together with the Reports of the Directors and Auditors has been circulated to all members within the prescribed period.

He explained that the audited financial statements for FY2023, were for discussion only under Agenda 1 as it did not require shareholders’ approval. Hence, it would not be put for voting.

**8. RESOLUTIONS**

The Chairman proceeded to put forward the resolutions as set out in the Notice of AGM for shareholders and proxy holders to consider and vote as follows:

i) Resolution 1 and 2

Payment of Directors' fees of up to RM557,000 (Resolution 1) and Directors' meeting allowances of up to RM46,500, to the Non-Executive Directors, of the following in respect of the financial year ending 31 December 2023

ii) Resolution 3, 4 and 5

Re-election of Mr Goh Nan Kioh (Resolution 3), Datuk Hj. Pengiran Saifuddin bin Pengiran Tahir (Resolution 4) and Ms Goh Mei Sze (Resolution 5), who retired by rotation pursuant to Clause 118 of the Company's Constitution.

iii) Resolution 6

Re-election of Ms Lui Soek Kuen who retired pursuant to Clause 123 of the Company's Constitution.

iv) Resolution 7

Re-appointment of Crowe Malaysia PLT as Auditors of the Company.

v) Resolution 8

Authority to issue shares of the Company not exceeding 10% of the total issued shares of the Company, pursuant to Section 75 and 76 of the Companies Act, 2016.

vi) Resolution 9

Proposed Renewal of Share Buy-Back Authority for the Company to purchase its own shares of up to 10% of the total number of issued shares of the Company, of which the details of the proposal were set out in the Share Buy-Back Statement dated 23 April 2024.

**9. ANY OTHER BUSINESS**

The Chairman informed that there was no other business to be transacted of which due notice had been given in accordance with the Companies Act 2016.

**10. POLLING THROUGH REMOTE PARTICIPATION AND VOTING**

The Chairman urged shareholders and proxy holders who had not voted to cast the votes accordingly. The voting session was opened for 10 minutes.

**11. POLL VERIFICATION**

The Chairman informed that the verification of votes cast by the Scrutineers would take approximately 25 minutes. The Meeting would resume upon completion of the verification.

**12. QUESTIONS & ANSWERS (“Q&A”) SESSION**

Whilst waiting for the poll results, the Chairman then proceeded with the Q&A session.

- a) The Company had on 10 May 2024 received questions from the Minority Shareholders Watch Group (“MSWG”). Mr Khoo Teng Keat presented a summary of the MSWG’s questions and responses. The questions and responses are annexed herein and marked as Appendix II.
- b) The Management proceeded to attend to questions received real-time. The questions and responses are annexed herein and marked as Appendix III.

**13. VOTING RESULTS**

After the Q&A session, the Chairman called the meeting to order for the declaration of the poll results. The poll results were flashed on the screen, a copy of which is annexed herein and marked as Appendix IV. The Chairman announced that all resolutions were duly passed by shareholders of the Company.

**14. CONCLUSION**

As all business was completed, the Chairman concluded the meeting at 11.45 a.m. The Chairman thanked all present on-site and virtually for their attendance.

**CONFIRMED AS A CORRECT RECORD:**

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**CHAIRMAN**

# MFCB

MEGA FIRST CORPORATION BERHAD

# ANNUAL GENERAL MEETING

21 MAY 2024





# AGENDA

## Updates from previous AGM:

1. Don Sahong Hydropower
2. Solar Division
3. Packaging Division
4. Food Security Division

MEGA FIRST CORPORATION BHD

# Don Sahong Hydropower



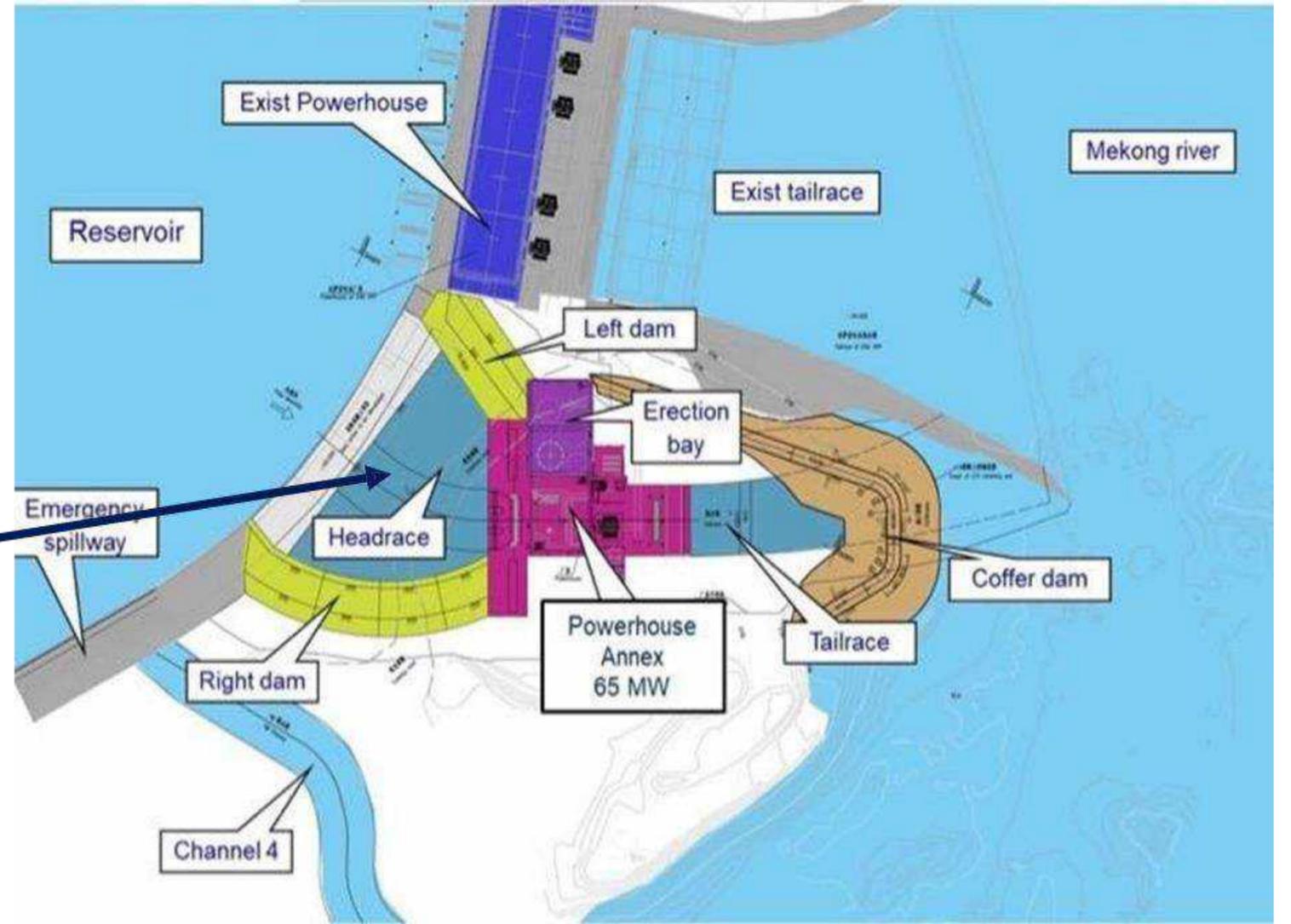
# FIFTH UNIT PROGRESS

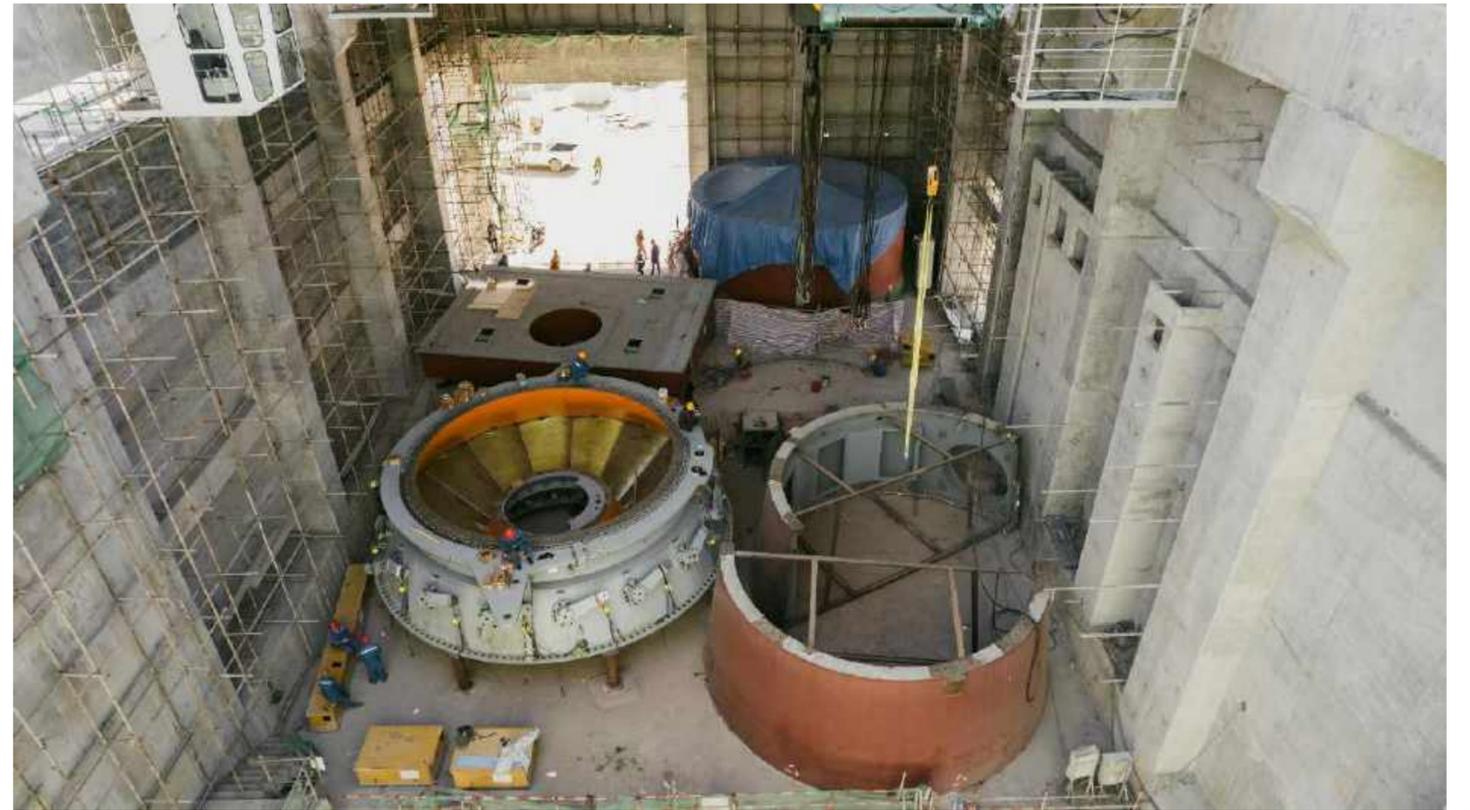
## Update & Progress

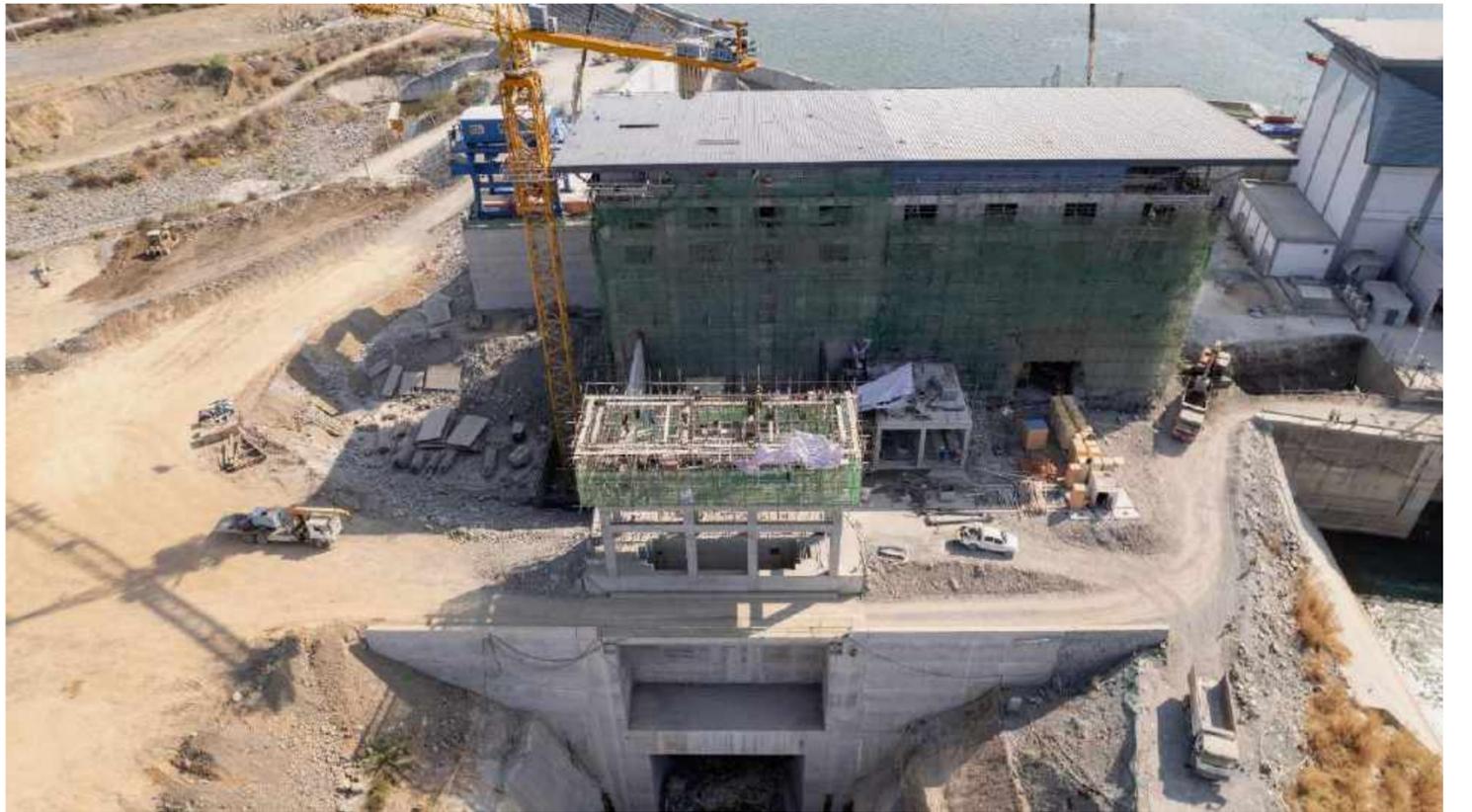
- Construction commenced in Dec 2021.
- Completion slightly ahead of schedule.
- Expected EAF 41%.
- Testing and commission likely to start before the end of June 2024.
- The amended Concession Agreement and Power Purchase Agreement are in the approval stage.
- The completion of the 5<sup>th</sup> unit will allow the first unit major overhaul to start at the end of this year.

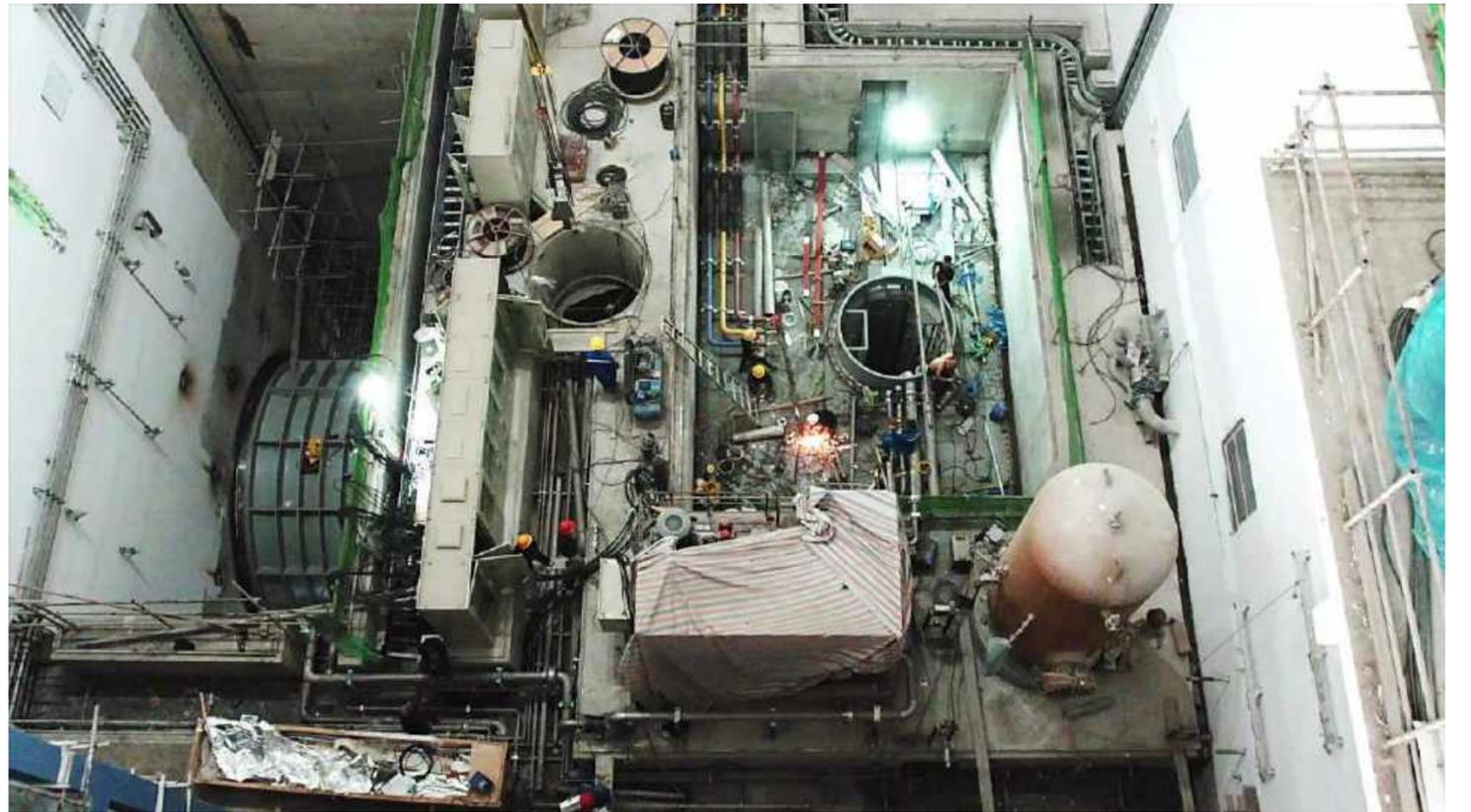


65 MW 5<sup>th</sup> unit expansion of Don Sahong costing approx. US\$75 million or approx. US\$1.2mil/MW (vs US\$1.4 mil/MW for the first 4 turbines).





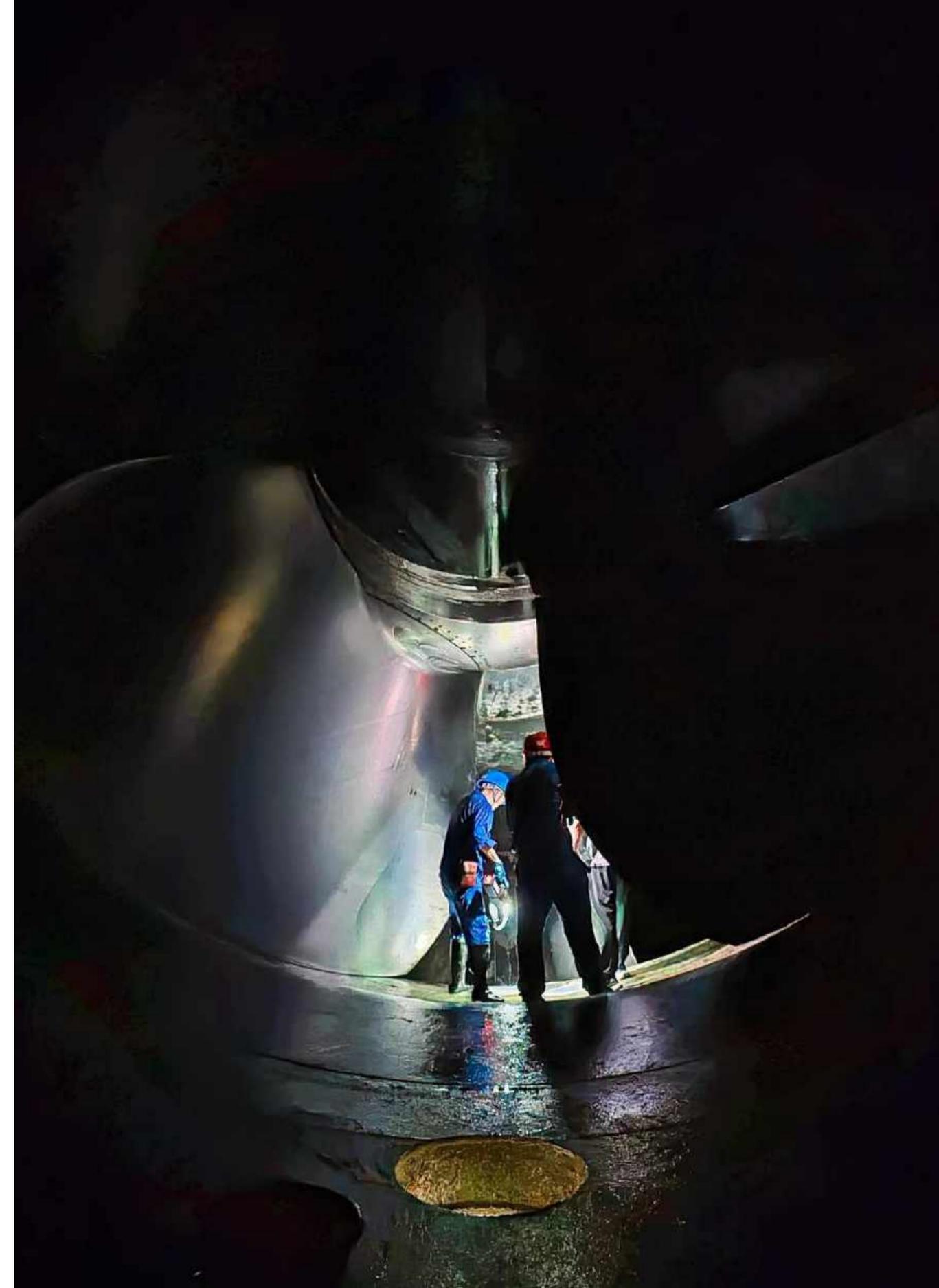




# Acquisition of additional 20% shares (effective 15%) in Don Sahong Power Company Ltd

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- Total consideration: USD95.0 million.
- MFCB's effective interest: 80% → 95%
- Completed in December 2023.
- Bank borrowing: US\$55 million.



MEGA FIRST CORPORATION BHD

# Solar Division



# Corporate Green Power Programme (CGPP)

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## Update

- CGPP is a renewable energy initiative that allows corporate consumers to virtually purchase solar energy from solar power producers via a Corporate Green Power Agreement (CGPA).
- On 12 May 2023, MFCB's wholly owned subsidiary, Mega First Power Industries Sdn Bhd ("MFPI") submitted an application to participate as a Solar Power Producer in the CGPP launched by the Energy Commission.
- On 7 Aug 2023, MFPI received notification that its application was successful.
- On 29 Dec 2023, we signed the Deed of Accession to the NEDA (New Enhanced Dispatch Agreement) Framework Agreement.







# RE PORTFOLIO

as at 31 March 2024

## COMPLETED

- Hydro: 260 MW
- Solar: 28.3 MW
- **Total: 288.3 MW**

## SECURED/UNDER CONSTRUCTION

- Hydro: 65 MW
- Solar: 68.7 MW
- **Total: 133.7 MW**

## TOTAL

- Hydro: 325 MW
- Solar: 97.0 MW
- **Total: 422 MW**

MEGA FIRST CORPORATION BHD

# Packaging Division



# EXPANSION PLANS



## Hexachase

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- Manufactures and sells paper bags, flexible plastic packaging, and stickers and labels.
- 10.4 acre land in Durian Tunggal, Melaka.
- Phase 1: Construction of a new factory building with a build-up area of about 305,000 sf (+180%).
- Estimated completion of factory building in July 2024.
- Production lines to be progressively installed thereafter according to prevailing market and demand conditions.



## Stenta

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- Flexible packaging film manufacturer of Biaxially Oriented Polypropylene Film (BOPP) and Linear Low Density Polyethylene films (LLDPE).
- 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 in June 2024.
- Production lines to be progressively added according to market and demand conditions.

# Hexachase - Construction Progress

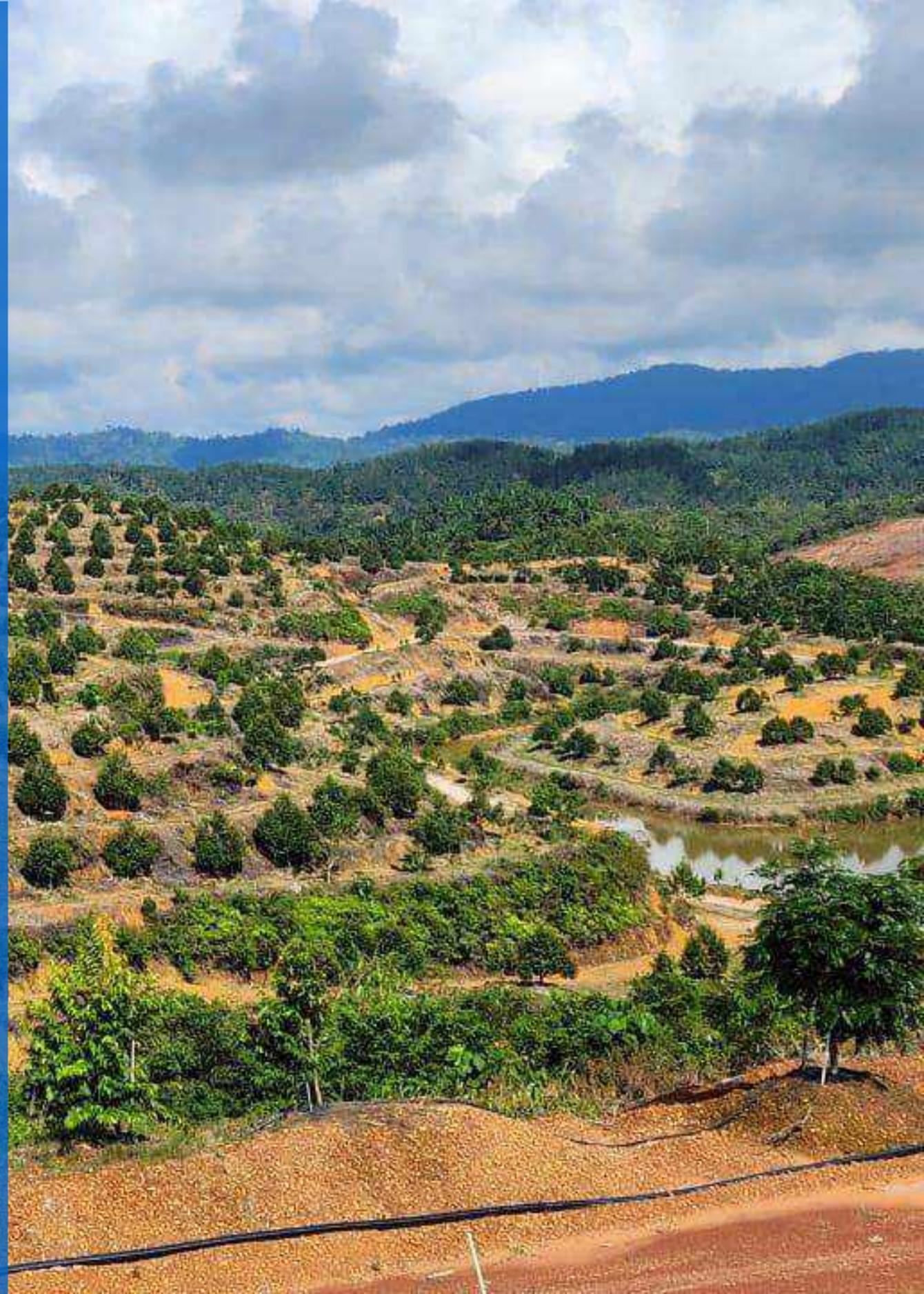


# Stenta – Construction Progress



# Food Security Division

- **Mondulkiri Plantation**
- **Investment in CSC Agriculture Holdings Sdn Bhd**





# PLANTATION UPDATE

## BACKGROUND

- Main crops: Coconut & macadamia
- Cumulative investment as at 31 Dec 2023: RM140 mil (including land cost)

## LAND

- 50-year concession on 6,428 hectares in Mondulkiri, Cambodia.
- Est. plantable area: 4,000–4,500 hectares
- Cumulative area planted as at 31 Dec 2023: about 2,560 hectares

## PLANS

- Coconut trees to progressively reach maturity starting from 2024.
- Focus on harvesting flower sap from the coconut trees and refining it into coconut sugar products.
- Fully integrated company dedicated to coconut sugar products.

# Investment in CSC Agriculture Holdings (CSC)

- Wholly-owned subsidiary of MFCB, Mega First Agrotech Sdn Bhd, had on 8 May 2024 entered into a Share Subscription Agreement to subscribe for new shares equivalent to 64% equity interest in CSC for RM25 million.
- CSC is involved in fruit and vegetable farming and wholesaling.
- It operates and manages more than 1,100 acres of farmland in Johor (five farms) and Pahang (one farm).
- The planted long-term crops including durian, jackfruit, guava, coconut have either recently reached maturity or will reach maturity within the next 24 months.
- More recently, CSC has ventured into controlled environment agriculture in the form of modern greenhouse farming of leafy vegetables on a 12-acre plot in Johor, which has yielded initial success, and management plans to gradually expand the greenhouse farming.
- Together with our plantation in Cambodia, they will form our Food Security division.





**FRUIT & VEGETABLE  
FARM IN SEDILI,  
JOHOR**



**FRUIT & VEGETABLE  
FARM IN AYER  
HITAM, JOHOR**



**FRUIT & VEGETABLE  
FARM IN  
JEMALUANG, JOHOR**



**FRUIT &  
VEGETABLE FARM  
IN LIPIS, PAHANG**



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



**LEAFY VEGETABLES FROM AYER HITAM FARM**



**NANGKA FROM JEMALUANG FARM**



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



**DURIAN FROM ULU TIRAM FARM**

# COMPLETED GREENHOUSE



Located in Ayer  
Hitam, Johor

# VEGETABLES IN GREENHOUSE



Located in Ayer  
Hitam, Johor

# VEGETABLES IN GREENHOUSE



Located in Ayer  
Hitam, Johor

A wide-angle landscape photograph capturing a sunset. The sky is filled with soft, horizontal bands of color, transitioning from a pale blue at the top to vibrant oranges and yellows near the horizon. Below the sky, a range of dark, silhouetted mountains stretches across the middle ground. In the foreground, a calm body of water, possibly a reservoir or a wide river, reflects the warm colors of the sky. A concrete dam or embankment runs along the right side of the water. The overall mood is peaceful and serene.

**THANK YOU**

**Operational & Financial Matters**

1. The Group had announced that it will acquire a 64% equity interest in CSC Agriculture Holdings Sdn Bhd (“CSCAH”), a company that is involved in plantation and wholesale of fruits and vegetables for RM25 million. (Bursa announcement dated 8 May 2024)

- (a) What is the required threshold of return on investment for MFCB to invest in CSCAH?

Management Response:

The investment in CSCAH will significantly strengthen and expand the Group’s emerging Food Security Division. Today, the world faces immense challenges related to food security, including issues of food safety, supply adequacy and stability, access and affordability. Global climate change exacerbates these problems, and Malaysia is no exception. Malaysia still relies on food imports, with domestic supply and consumer prices being largely affected by erratic climatic conditions and fluctuations in the Malaysian Ringgit exchange rate.

We believe that modern farming represents the future of addressing food security issues and the industry holds immense promise. We believe the management team of CSCAH, in collaboration with MFCB, possesses the necessary expertise, resources and vision to successfully develop the business into Malaysia's leading supplier of fruits and vegetables.

We expect the investment to generate attractive long-term returns.

- (b) Please briefly provide further details on the Group’s acquisition of CSCAH, amongst others, such as CSCAH’s latest key financial information, any liabilities to be assumed, the type of plantation that CSCAH owns, the size, location etc.

Management Response:

CSCAH Group is principally engaged in fruits and vegetable farming and wholesaling. Currently, it operates and manages about 1,100 acres of farmland in Johor (five farms) and Pahang (one farm). Approximately 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.

The planted long-term crops have either recently reached maturity or will reach maturity within the next 24 months. Additionally, the CSCAH Group has initiated a pilot project for modern greenhouse farming of clean leafy vegetables on a 12-acre plot in Johor, which has yielded initial success, and management plans to gradually expand the portfolio and acreage of greenhouse farming.

No liability is assumed in the acquisition of CSCAH.

CSCAH’s current financial year end is 31 July (before change to coincide with MFCB Group’s reporting period) and in the first eight months period ended 31 March 2024, it recorded a consolidated turnover of RM56.2 million with EBITDA of RM1.9 million and marginal pre-tax profit of RM0.004 million.

- (c) To what extent does the Group expect CSCAH to contribute to its top and bottom lines going forward?

Management Response:

We expect earnings contribution from CSCAH to improve and grow in line with the increasing maturity of the long-term crops and the expansion of greenhouse farming over the next few years.

2. The Company's joint venture, Edenor Technology Sdn Bhd and its subsidiaries ("Edenor") recorded a share of loss of RM13.1 million in the current year, compared to a share of profit of RM15.7 million in 2022. During the year, Edenor suffered significant capacity loss from plant repair, maintenance and upgrading works and experienced intense price competition in a weak consumer market. (page 19 of AR 2023)

- (a) What was the magnitude of capacity loss and the utilisation rate in FY 2023? Has the plant resumed normal operation and what is the current capacity and utilisation rate?

Management Response:

The average capacity utilisation rate in FY 2023 was 72%, compared to an ideal rate of >90% utilisation rate. In 2024, The plant encountered further unexpected shutdown in March and April after a scheduled catalyst change in January, resulting in further deterioration of utilisation rate to 65% in the first quarter. The problem has been fixed in mid-May 2024.

- (b) Is the consumer market still weak? What is the outlook for FY 2024?

Management Response:

The key priority and challenge of Edenor is to improve its plant production capacity, reliability and efficiency. Global demand for oleochemicals products from this region is improving. Therefore, barring any further unexpected plant stoppage, we expect earnings of Edenor to recover in the second half of 2024.

3. On 26 September 2023, a fire broke out in one of the factories of the Packaging Division which damaged/ destroyed certain property, plant and equipment ("PPE") and inventories. The Group recorded a RM26.9 million (net of partial insurance income) charge against pre-tax profit in the current financial year from assets write-off in accordance with MFRSs, though the damaged assets are fully insured. Subsequent insurance compensation will be recognised as income to profit and loss when the insurance claims are finalised. (Note 43(b), page 178 of AR 2023)

- (a) To-date, what is the status of the said insurance claims? If the insurance claims have been finalised, does the Group expect to receive the balance of the full insurance compensation in FY 2024?

Management response:

As at 13 May 2024, cumulative insurance claims of RM28.6 million have been approved of which RM20.6 million was received on the even date.

Yes, the Group expect to finalise the balance of full insurance compensation in FY2024.

- (b) Climate change causes hotter days and heavier rain, which may lead to more fire incidents and floods. What are the Group's strategies to deal with the climate change effect on insurance claims?

Management response:

So far, the Group has not experienced any major incidents caused by climate change. However, we are taking proactive measures to ensure that we safeguard our operations. Currently we are in the midst of conducting a GHG inventory to better understand our emission sources so that we can work on mitigating and reducing our contribution to climate change. In the near future we will be conducting an internal climate risk assessment to understand how our operations may be affected by climate change impacts and extreme weather events. This will help inform how we mitigate climate risks on our infrastructure and operations and manage the insurance cover of our operations.

**Corporate Governance Matter**

4. Datin Jeyanthini A/P M. Kannaperan, the Independent Director of the Company only attended three out of five Board meetings held, 60% attendance during the financial year. (page 80 of AR 2023)

Whilst we recognise that Datin Jeyanthini A/P M. Kannaperan has a busy schedule as a practising lawyer, she is also expected to have the time commitment to carry out her duties as a director. Please explain why Datin Jeyanthini A/P M. Kannaperan was absent from two of the Board meetings.

Management Response:

Datin Jeyanthini was absent for two meetings due to travelling and an unforeseen last minute reschedule of a court hearing.

**Sustainability Matters**

5. Noise pollution is a significant concern in quarry operations. The Resources Division has implemented noise mitigation measures such as using advanced noise reduction technologies to minimise the environmental impact and protect the health of both workers and the broader community. The Group is currently in the trial phase of installing ceramic wear lining at its machinery parts to protect abrasion wear and reduce noise as well as vibration during application. The trial phase is expected to be completed in the first quarter of 2024. (page 42 of AR 2023)

- (a) What is the outcome of the trial? What measures have been taken and what were the results?

Management Response:

During the trial phase, ceramic wear liner was installed to the outlet chute after the vibration screen with the aim at safeguarding against abrasion wear and tear with possibility of reducing noise level. This is a pivotal Internal Initiative undertaken for continuous improvement. Following the installation of ceramic wear liner in Q1 2024, it has demonstrated a positive outcome in terms of reducing equipment wear but not the anticipated noise reduction levels. The hard ceramic surface did not dampen the impact noise from crushed rock movement. Other noise dampening options are currently being explored.

- (b) As quarry operations is an activity which significantly impacts the environment negatively, what other measures have been taken to address the concerns?

Management Response:

Our quarry operations extract limestone resources for the manufacture of Calcium Oxide and Calcium Hydroxide, the chemical needed in many essential industries and waste gas and water treatment. It is thus important for us to carry out our works without negative impacts to the environment e.g. air, water, noise and vibration. We actively participated in the yearly Sustainable Development Indicator (“SDI”) Audit organized by the Department of Minerals and Geoscience (“JMG”). The audit is conducted once every 6 months to promote and enhance local quarry operators’ commitment to responsible quarry management. A 4-star rating was conferred to our quarry after the comprehensive SDI audit conducted by JMG officers, which are based on the following criteria:

- Compliance
- Best Practices
- Socio-economic Benefits
- Green Practices
- Corporate and Social Responsibility &
- Aesthetic Values

**QUESTIONS RECEIVED FROM  
SHAREHOLDERS OR THEIR PROXIES**

<u>No.</u>	<u>Questions</u>	<u>Management's Responses</u>
1.	May I know, what is the company's future outlook ?	<p>The Group will continue to invest and grow its existing four business platforms:</p> <ol style="list-style-type: none"> <li>1. Renewable energy ("RE") RE is the future of energy generation that is no short of investment opportunities in the region and the world.</li> <li>2. Resources The Company has continued to grow its reserve assets that can last for more than 200 years. It is a business that is growing steadily and will never go out of fashion.</li> <li>3. Food security Moving into modern sustainable fruit and vegetable cultivation, this division holds tremendous growth opportunities as the world faces escalating food security issues stemming from climate change, clean water availability, pollution, population growth and changing nutritional needs.</li> <li>4. Packaging The Group offers only sustainable and effective packaging solutions that are gradually replacing traditional environmentally more damaging packaging solutions.</li> </ol> <p>Apart from the above, the Company will deploy a small portion of its capital to nurture promising new businesses. An example is our investment in the semi-conductor test equipment group.</p>
2.	<p>a) Can share more on recent acquisition of shares in CSC? As there is not much information available in internet on CSC.</p> <p>b) Page 142 of the AR, Company acquired 20% in iRadar Sdn Bhd during the year. As per information available in their website, this company seems quite interesting as they involved in the smart farming. Can share more on this Company?</p> <p>c) Last but not least, thanks Management on your effort in year 2023. I always tell my fren MFCB is the only stock in Bursa that i will hold for super long term, thus hopefully Company able to reach 10B market cap milestone soon, and also</p>	<p>CSC is still in investment stage. Previously, CSC planted a lot of open farm vegetables. Over the years, CSC gradually converted them into longer term crops. As for short term corps like vegetables, CSC has recently successfully converted the open farming to greenhouse farming. CSC will expand its leafy vegetables portfolio and acreage of greenhouse farming. Sufficient land has been prepared for the expansion, including part of the 688 acres of land in Tronoh, to cater for both solar projects and greenhouse farming. For further details, please refer to our presentation and answers to MSWG.</p> <p>iRadar Sdn Bhd is founded and managed by a group of university lecturers and professors. Their R&amp;D efforts and businesses are focused mainly on manufacturing automation, agricultural management technology, and environmental monitoring technology. Hopefully with MFCB's investment, these people will be able to drive the business further.</p> <p>Thank you for your comments.</p>

	include in KLCI by next 10-15 year. Stay healthy !	
3.	Any chances for MFCB to give special dividend as cash flow is so strong?	Even though MFCB has strong cash flow, we are also conserving cash for future expansion and capital expenditures.
4.	<p>a) Update on Don Sahong Hydropower new Concession Agreement.</p> <p>b) Medical Centre : with the presence of many massive players (Sunway, IHH). Is it inspired from Sunway velocity? What is the potential competitive edge of this medical center?</p> <p>c) Plantation business / food security : As for coconut plantation , it was mentioned that coconut nectar syrup will be the subject of interest for the product expansion. As what I know, coconut nectar harvesting is a trade off with the expense of coconut fruit. Any rationale behind?</p>	<p>Since last year, management has been negotiating with the Laos government on terms and conditions for the new Concession Agreement (CA) and Power Purchase Agreement (PPA) to include the 5<sup>th</sup> turbine. The new terms and conditions of the CA and PPA are currently pending the approval from the Laos government.</p> <p>A piece of freehold land measuring approximately 3.3 acres located at Setia Alam (next to Setia City Mall) was acquired which is earmarked for the medical center. This new investment is not a departure from our core businesses. It is not inspired by Sunway Velocity. The Company will be collaborating with a group of renowned, reputable and successful doctors. The Company intends to build a centre of medical excellence in at least four to five faculties. After evaluating the medical scene in Malaysia, it will be a good investment. There is a growth in the demand for medical services. The approval to build the medical centre is expected in June.</p> <p>Based on the evaluation carried out on the downstream coconut products, coconut nectar market is a niche area which is not explored by many coconut farms. The division is now building a distribution network, by investing in a Thai company that sells and distributes coconut nectar products. Management thinks that this market will offer more commercial value in the long term.</p>
5.	<p>Renewables MFP Solar Sdn. Bhd. ("MFP Solar"), a 55% subsidiary of MFCB and its strategic partner, Pekat Group Berhad (45%).</p> <p>a) What is the current pipeline for C&amp;I Solar projects? Which countries will these potential projects be?</p> <p>b) Since there is strong competition in solar projects, are we looking at long duration storage systems?</p>	<p>The RE division has completed about 28 MW up to March 2024. There is another 68 MW capacity that has been secured and will be progressively completed over the next 18 months.</p> <p>As for C&amp;I Solar projects, the focus is Malaysia. Due to the stiff competition, projects that generate low returns will not be considered.</p> <p>Management is looking into it, but it is unlikely that it will be deployed in the short term.</p>
6.	<p>Thank you for taking my questions</p> <p>a) I like our Company's current strategy to take small bets/experiments in new sectors. I hope will continue to do that.</p> <p>b) When will the Don Sahong tariff review be announced?</p>	<p>Thank you.</p> <p>An announcement will be made once the new Power Purchase Agreement is signed.</p>

	<p>c) Are there more opportunity to add more turbines at Don Sahong??</p> <p>d) Since Singapore has the high tariff rate and least renewable energy potential, can we sell our hydro power directly to Singapore?</p> <p>e) Where else are we exploring new hydro projects? Sarawak or Laos?</p>	<p>No. There is insufficient water to operate another turbine after the 5<sup>th</sup>.</p> <p>This will be done at G-to-G level. There is already currently an agreement between the governments of Laos, Thailand, Malaysia and Singapore for Laos to sell hydro energy to Singapore, via Thailand and Malaysia.</p> <p>Management is exploring other hydroprojects in the region, including Laos and Malaysia.</p>
7.	Are we building floating solar at Sri Iskandar Power plant?	We currently do not have a solar farm project at Sri Iskandar.
8.	Food security: Does the management plan to enter sectors which currently rely on import, such as rice, onion, etc. How would management negate the price and volume volatility of vegetables?	CSC has been exploring low land greenhouse farming, which is more challenging than highland greenhouse farming due to higher temperature. The pilot project which was undertaken recently is a success. CSC will focus on crops that are more suitable for low land. By planting in a controlled environment, management will be able to have better control over the pricing and output as it is not significantly influenced by climate change.
9.	In the recent annual report it says MFCB anticipates to be the largest fully integrated company dedicated to coconut sugar products worldwide upon reaching full capacity. May I know roughly what will be the future contribution in term of sales and who are the competitors (are they Coco Sugar Indonesia, Franklin Baker, etc)?	<p>The coconut plantation in Cambodia could generate revenue of RM200 million to RM300 million once it has reached maximum capacity and maturity. We are still fine tuning some production processes because the market demand of coconut syrup is very stringent. Sales is anticipated to start this year. Together with CSC, the food security division is expected to be one of the fastest growing division over the next five years.</p> <p>Currently, there is no large-scale pure coconut sap sugar manufacturer. There are small and medium size manufacturers in Indonesia. MFCB could easily exceed that once our acreage matures in the next three to five years.</p>
10.	Dear, Mr. Chairman, BODs and management team, With the addition of new capacity in power and solar assets, as well as the inclusion of new businesses, it appears that the company's asset base will experience significant growth starting in 2024. Could you provide any insights into the expected trend of Return on Assets (ROA) over the next 3-5 years?	<p>A large portion of asset growth in the last couple of years, notably 5<sup>th</sup> turbine construction (costing about RM400 million), construction of two new packaging factories (costing about RM150 million), investments in Food Security Division (as of 2023: RM160 million), was not accompanied by any earnings returns up to 2023.</p> <p>However, with the 5<sup>th</sup> turbine expected to achieve commercialisation by end June 2024, the Packaging Division starting to commercialise its two new factories in 4Q2024, and the plantation starting to reach maturity from 2024, we expect the ROA to improve over the next 3-5 years.</p>
11.	Dear Mr. Chairman, BODs and management, And I've observed that the asset expansions of the company have predominantly been funded by shareholders' equity rather than excessive debt. Given that the cash flow stream from the power and solar assets is now significantly larger, do you anticipate any changes in the company's capital structure going forward	Bank loans were obtained to acquire long term assets. The changes in future capital structure and/or gearing ratio depends on future opportunities. Generally, the Group's gearing ratio should remain low and manageable, mainly due to strong cash flow.

12.	What is the capital allocation (CAPEX) plan for FY 2024 and 2025?	Based on 31 March 2024, the Group's capital commitments amounted to approximately RM500,000, of which 60% was allocated for Renewable Energy, 20% for packaging, 10% for food security (CSC and Cambodia coconut flower sapsugar) and 10% for new projects, eg hospital.
13.	any change in company dividend policy? is it still 30-40 percent? thank you Mr goh and team for the effort.. wish you stay healthy and long living -)	As disclosed in the Chairman's Statement, the Company will gradually step up the dividend by 10% every year until a payout ratio of at least 30% is achieved.
14.	<p>a) Fast forward 5-10 years from now, which business unit do u reckon can closely match the profit and cash flow generation of don sahong?</p> <p>b) How likely is a spin off of any business segments to be happening in the next 5 -10 years?</p>	<p>It will be difficult to find another project that can match Don Sahong's investment returns. Nonetheless, each business is evaluated based on its own merits and hurdle rates</p> <p>We have to take into account the wishes and aspiration of our stakeholders. We will spin off once we are ready. Food security will take longer time as it has just started.</p>
15.	It is very commendable that MFCB has started its Food Security Division which many listed companies are interested in due to its perceived low returns compared to other businesses. What is the long term target of MFCB for its Food Security Division in terms of contribution to MFCB's Revenue and PBT?	To achieve RM0.5 billion turnover is not unreasonable. It is not a high margin business. A 10% profit margin is reasonable. MFCB wants to be a competitive player in every business. MFCB wants to be cost leader, so we can compete effectively.
16.	For investment in semi/AI, isn't investment in solar or hydro a better to play since all these tech giants want clean energy for their ESG?	Investments in solar and hydro may not generate high returns because such investments attract many potential investors who are willing to accept lower rate of returns. MFCB will participate in projects by Suruhanjaya Tenaga if it generates reasonable returns.
17.	In annual report of 2023, you mentioned packaging industry is competitive, what is packaging division durable competitive advantage over other competitors?	To make our products more competitive, the division invests in R&D. Besides, the division also ensure that the cost structure is lean and the reward system does not burden its overhead.
18.	There are many opportunities from NETR and from regions. How much MFCB plan to invest into the RE sector? Does MFCB plan to bid for xGB level kind of power plant?	The RE division will bid for LSS5 but not at low prices, mainly because there will be more opportunities in the RE sector over the next few years. MFCB's appetite for large RE project is high given our strong cashflow and balance sheet. However, we will be selective in such investment and will only invest if the project generates reasonable returns.
19.	a) there were some media reports in the past 1-2 years that highlighted numerous numbers of hydropower project along the Mekong River all the way from the Vietnam to Laos. The main concern raised was the impact on the flow of Mekong River in terms of the huge water intake for these hydro projects and impact on the ecosystem.	<p>The negative reports received over a year ago arised from a mega hydropower project in China that had been impounding water, thus, reducing the flows downstream from Laos to Vietnam.</p> <p>However, for hydro power projects in Laos, which is under the purview of the Mekong River Commission, all projects must be a run of river project, i.e cannot store water. Thus, it is unlikely that a huge amount of water can be diverted out from the Mekong River from Myanmar down to Vietnam.</p> <p>In the last 4 years of operation, the fluctuation of water level in Don Sahong on year to year basis is very small.</p>

	<p>b) Is there a danger that the waterflow to Don Sahong will be affected and reduced to a level where it will impact its generation capacity?</p>	<p>The average energy estimated in the feasibility was 2,000 GWh and in the last 4 years DSPC has done better than this.</p> <p>Waterflows fluctuate every year. However, it's very unlikely that the impact on power generation will be significant simply because we are located at the southern tip of Laos and the water catchment in the upstream area is very large, including many tributaries in the upper region in China, Thailand and Vietnam.</p>
20.	<p>What's ROI threshold when you evaluating new investments? What qualitative criteria you will consider in a new investment ?</p>	<p>As a general rule, a minimum of 10% ROI needs to be met. Besides, another condition to consider is the potential of the industry/business. Consideration may also be given to investments that could give tremendous scalable upside return even though it could result in short term dilution of earnings.</p> <p>For countries which are more emerging, will need higher ROI.</p>
21.	<p>What is MFCB's strategic plan for next 5 to 20 years? How you are planning to increase shareholder value by reinvesting strong cash flow of RM 500m p.a.?</p>	<p>Last year MFCB had 3 major platforms, namely Renewable Energy, Resources and Packaging. Moving forward, starting from 2<sup>nd</sup> half of this year, MFCB will present its financials, showing 4 platforms by including food security. The food security division actually started 10 years ago. Management has been nurturing it quietly until a stage where it is ready to be made public.</p> <p>MFCB intends to grow its earnings and value not only by expanding the existing platforms, but also to nurture new platforms.</p>
22.	<p>Just a suggestion. Please consider listing Don Sahong as a tracker stock - a form of synthetic spin-off common in America, whilst keeping DS under MFCB's wing. In that case, it allows capital market to appropriately appraise both Don Sahong (thus MFCB's) value with the benefit of maintaining a conglomerate status.</p>	<p>We took note of the suggestion. We will continue to review suggestions from shareholders.</p>

MEGA FIRST CORPORATION BERHAD  
196601000210 (6682-V)

58TH ANNUAL GENERAL MEETING

Conference Room, A-12-01, Level 12, Block A, PJ8, 23 Jalan Barat, Seksyen 8, 46050 Petaling Jaya, Selangor Darul Ehsan 21 MAY 2024 10.00 AM

Resolution(s)	Vote For	%	No of Participants	Vote Against	%	No of Participants
Resolution 1	540,978,077	99.9871	241	69,609	0.0129	27
Resolution 2	540,994,077	99.9871	243	69,609	0.0129	27
Resolution 3	140,831,925	70.3436	230	59,373,903	29.6564	35
Resolution 4	522,921,607	98.7995	241	6,353,959	1.2005	28
Resolution 5	494,858,019	91.7995	242	44,205,747	8.2005	33
Resolution 6	538,480,339	99.5233	251	2,579,427	0.4767	20
Resolution 7	540,009,506	99.8052	250	1,054,260	0.1948	23
Resolution 8						
<b>Tier 1 - Large Holders</b>	270,521,482	100.0000	2	0	0.0000	
<b>Tier 2 - Other Holders</b>	217,622,825	84.1041	234	41,131,259	15.8959	33
Resolution 9	505,762,945	93.4767	234	35,294,821	6.5233	35
Resolution 10	540,975,765	99.9897	245	55,801	0.0103	25

