

FORWARD LOOKING STRATEGY

As a global food and agri-business, we have demonstrated the resilience of our business model over the past three years amongst COVID-19 induced global disruptions. Our integrated supply chain, spanning from midstream to downstream in the edible oils and fats business, encompasses large-scale integrated manufacturing facilities spread out across Malaysia, Singapore and Indonesia, as well as global distribution capabilities and a wide range of consumer products. With our strategic presence within this part of the end-to-end value chain, we efficiently satisfy the needs of both our customers and suppliers.

In terms of our global consumer products business, we remain dedicated to expanding our product range, cross-offering specialised applications and customer solutions. We continue to build a strong platform to deliver long-term value by investing in manufacturing facilities within or adjacent to our value chain and adding new products to our portfolio.

We are actively expanding our footprint and strengthening our presence in Indonesia. We acquired a small plantation and milling plant in Indonesia in year 2018, followed by the acquisition of a majority shareholding in a vegetable oil refinery and packing

plant in 2021 under a joint venture arrangement. In 2022, we acquired a second milling plant in Indonesia. These acquisitions have enhanced our accessibility to the supply of vegetable oil from Indonesia and have further consolidated our position as an integrated vegetable oils and fats business. We are making steady progress on the construction of our greenfield edible oil refinery in Indonesia.

Our in-house R & D facilities enable us to develop and offer specialised applications and customer solutions for different industries such as food ingredients, infant nutrition, special functional oil, bakery fats and confectionery fats businesses.

Our dairy-based products manufacturing facility in Malaysia has facilitated significant marketing and distribution synergies within our Consumer Pack segment. Our tin-can making facility has minimised the lead times from order to delivery and expanded our flexibility to meet our customers packaging requirements.

Our investment in a bioenergy plant adjacent to our Westport refinery in Malaysia has enabled us to expand our presence in bioenergy sector. We have since doubled



Global Food and Agri-Business

1

**Consolidated
the position in
vegetable oils
and fats business**

2

**Specialised
applications
& customer
solutions**

3

**Expand
range of
consumer
products**

4

**Grow
bioenergy
sector**

5

Broaden and deepen marketing and distribution network

the capacity of our bioenergy plant and we believe biodiesel will continue to be an important catalyst for the industry.

We market and distribute a range of other FMCG products such as rice, cashew, food premixes and soap to more than 100 countries through a well-established global sales and distribution network, supported by our wide range of brands including our flagship brands OKI and MOI brands. We will continue to explore more consumer products that can be sold as a basket of products to our existing and prospective customers.

We remain continuously focused on our cost savings and sustainability efforts. We had earlier commissioned two gas turbine co-generation plants in our Malaysia refineries that contribute to cost efficiencies and a greener climate. Given the close links between the environment and human health, livelihoods, water and food security, we strive to implement key sustainability efforts, including environmental protection, conservation and sustainable management, at all levels of our operations.

The United Nations predicts that the global population will reach 9.7 billion in 2050 with significant variations in population growth rates among different regions.

In the coming years, sub-Saharan Africa is projected to experience the most substantial growth, with its population expected to nearly double from 1.1 billion to 2.1 billion. Meanwhile, South Asia is expected to see a significant increase in population, from 2 billion in 2022 to 2.5 billion in 2050. This growth in population presents a sustainable opportunity for agri-businesses, particularly in the medium to long-term. In the immediate future, we expect macro, geopolitical and climate volatility to continue. However, our Group has demonstrated 3 consecutive years of strong earnings and good cashflow, resulting in a significant increase in our equity base. Our large-scale integrated production facilities in Malaysia, expanding presence in Indonesia, established brands and widespread global supply chain network will enable the Group to continue to drive growth and success.

Our focus on expanding our integrated food and agri-business strategy through demand-driven opportunities remains steadfast and we will continue to explore both organic and inorganic opportunities to achieve this goal. We remain committed to increasing our customer penetration across the globe by maintaining our manufacturing presence in critical geographies, supported by our marketing and distribution subsidiaries across key markets.

