

# FORWARD LOOKING STRATEGY

## OUR STRATEGY

We are currently a major player in the palm oil industry, a position built over the past five decades. Although we are an integrated palm based edible oil and fats business, we strive to become an integrated global food business by investing in and expanding our range of consumer products, strengthening our position within the oils and fats business, broadening and amplifying our marketing and distribution network and investing in efficient production facilities.



We are also investing in a manufacturing facility in Malaysia to produce dairy products. The project, at an estimated cost of US\$49 million is expected to be completed in the second half of 2013. As palm oil is one of the important raw materials for the production of dairy products, the investment will have production synergies with our current palm oil business. The investment is also expected to have significant marketing and distribution synergies with our current Consumer Pack segment.



We believe that the current global and challenging industry conditions will help the industry to consolidate and benefit stronger players in the time to come. We continue to build a strong platform by investing in manufacturing facilities and adding new products to our portfolio to embrace new opportunities in the ever-changing environment.

We are currently building a refinery in Sabah. Strategically located within the Palm Oil Industrial Cluster of Lahad Datu, the investment will further consolidate our position as an integrated palm oil business, increasing the Group's refining capacity and increasing our access to CPO, especially from neighboring countries. The project is expected to be completed by end of 2013 and will further strengthen the Group's competitive edge in the market.

We continued to explore more consumer products that could be sold as a basket of products to our existing and prospective customers. We have included rice in our product portfolio, sourcing rice from Asia and selling in Africa and Middle East under our own brands. The business has achieved impressive results in the first year of operation and we are confident that rice business will become an integral part of our business in the future.

With our current leadership position as global integrated player in the palm oil industry, equipped with increased refining capacity and new initiatives to add new products to our portfolio, we are confident and prepared to embrace the exciting new opportunities that lie ahead.