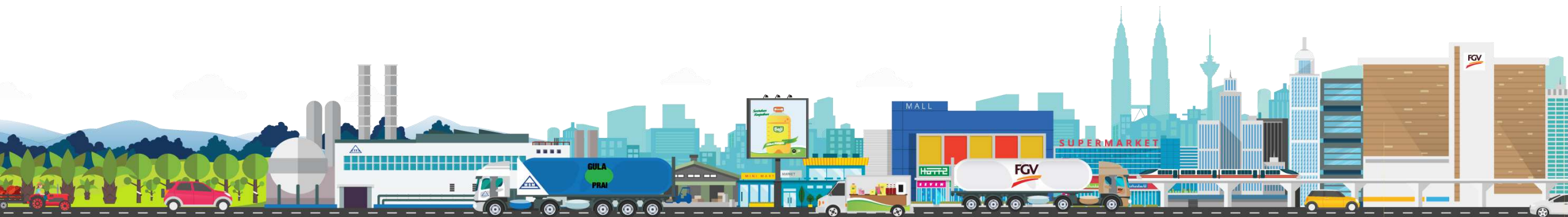


FGV Holdings Berhad

3 OCTOBER 2022



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FGV AT A GLANCE

FGV



WHO WE ARE

VISION

Delivering Sustainable Food and Agriproducts to the World



MISSION

- Developing and producing high-quality products sustainably that are both good for the people and the environment
- Practicing a healthy and innovative working environment and culture within the group whilst promoting the same to our suppliers
- Establishing an integrated value chain business ecosystem
- The embodiment of governance and compliance
- Cultivating diversification in products and geographies



LISTED SINCE

28 June 2012
(Ticker: 5222)

SHAREHOLDINGS

FELDA	81.1%
Kerajaan Negeri Pahang	5.0%
Public	13.9%

EMPLOYEES

Total 43,583  85%  15%

OPERATIONS

Plantation
(Upstream, Downstream, Marketing & Trading, R&D, Rubber, and Renewable Energy)

Sugar

Logistics & Others
(Bulking & Storage, Transport, ICT, and Travel)

Integrated Farming
(Animal Feed & Nutritional Products, Paddy & Rice, Dairy Products, and Food & Trading)

Consumer Products

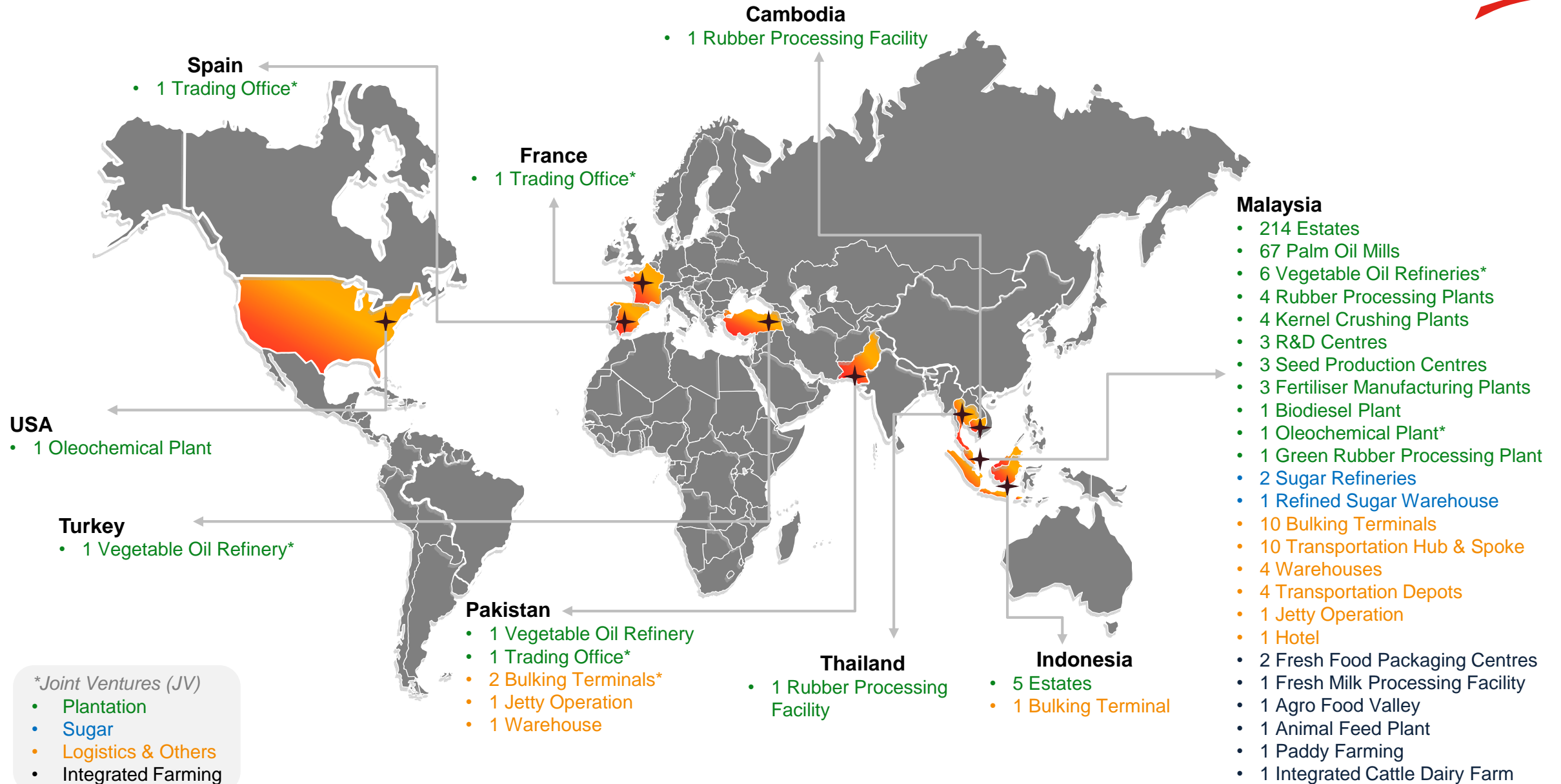
PRESENCE

9 Countries
(Malaysia, Indonesia, Cambodia, Thailand, Pakistan, USA, France, Spain, Turkey)

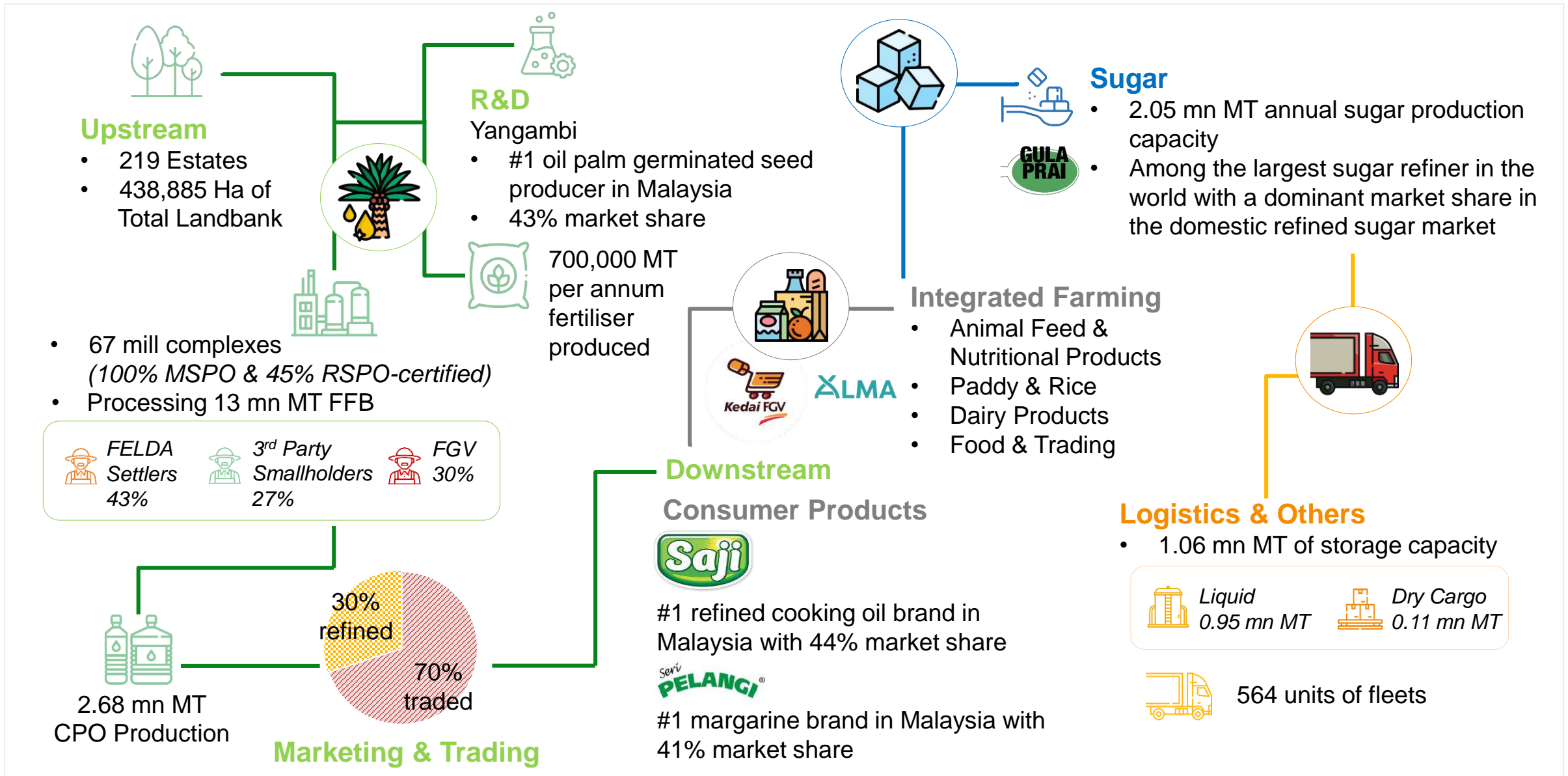
MAIN BRANDS



OUR GLOBAL PRESENCE



MAXIMISING VALUE CHAIN

















KEY HIGHLIGHTS

FGV



2021 FINANCIAL HIGHLIGHTS



	FY2021	FY2020	Variance
 Revenue (RM million)	19,566	14,076	 39%
 PBZT (RM million)	1,714	346	 >100%
 PATAMI (RM million)	1,168	146	 >100%
 EPS (RM)	0.32	0.04	 >100%
 ROSF (%)	21.55	3.43	 >100%
 Net Assets Per Share (RM)	1.49	1.17	 27%
 Dividend Per Share (RM)	0.08	0.03	 >100%

Despite the various challenges we faced in 2021, we recorded a marked improvement in our performance, driven by increased margins on palm products' margins, turnaround of the Sugar business, the volume of high-value products, and lower variable operating costs in our Logistics business.

2021 SECTORAL PERFORMANCE

PLANTATION



Revenue
RM16,920 million
2020: RM11,573 million



PBZT
RM1,602 million
2020: RM402 million



SUGAR



Revenue
RM2,260 million
2020: RM2,185 million



P/(L)BZT
RM86 million
2020: (RM35 million)



LOGISTICS & OTHERS



Revenue
RM363 million
2020: RM303 million



PBZT
RM90 million
2020: RM50 million



2021 OPERATIONAL SNAPSHOTS

PLANTATION



FFB
Production

**3.98
mn MT**

FFB
Yield

**15.69
MT/Ha**

FFB
Processed

**13.04
mn MT**

CPO
Production

**2.68
mn MT**

CPO Cost
Ex-mill

**RM
1,756/MT**

Utilisation
Factor

65%

Oil
Extraction
Rate

20.54%

Age
Profile

**14.25
Years**

SUGAR



Refined Sugar
Production Volume

0.89 mn MT

Utilisation Factor

44%

LOGISTICS & OTHERS



Storage Volume

8.21 mn MT

Transportation Volume

5.71 mn MT



Operational Improvement

- **Felling of 13,127 Ha** was completed, and **2,815 Ha** of landbank was replanted.
- Expansion of **mechanisation areas to 30,391 Ha**, bringing the total mechanisation area to 115,000 Ha using the Mechanical Assisted Infield Collection method.
- Applied **297,178 MT of fertiliser**, equivalent to 100% coverage.
- **Received a contract valued at RM290 million** from **The Coca-Cola Company** for domestic and international production.
- Expanded FGV transport's fleet capacity to more than **500 units** to strengthen operations.
- Handled the **highest oleochemical storage throughput of 0.95 million MT**.



Product and Market Penetration

- **Completed development of seven new products** for food and non-food categories.
- Our flagship brands; **Gula Prai ranked 3rd and Saji, ranked 7th as the most preferred FMCG brands** in Malaysia, according to Kantar's Asia Brand Footprint 2021.
- **Signed an agreement with Wilmar** to collaborate on the development of a sustainable sugar supply chain.
- Expansion of **service by the Logistics and Others Sector into more specialised areas** such as transporting military equipment from overseas and forwarding activities.

A YEAR OF STRATEGIC PROGRESS (cont'd)



New Growth Area

- Developed a prototype called **FGV Geotagger** under the R&D division to improve replanting.
- Introduced **cold chain transportation services** and acquired **10 refrigerated trucks**.
- Launched **FGV Chuping Agro Valley** to develop an integrated high-value cash crop and large-scale dairy farming operation.
- Harvested **600 Ha of FGV's Fortified Field Fragrant Rice**, yielding **3,751 MT** of fragrant paddy to produce "Saji Aroma" rice.



Financial and Capability Building

- Launched **RM500 million Sukuk Murabahah** programme, indicating confidence in FGV's balance sheet.
- Launched a **Graduate Trainee Programme** to attract new talents to the Group.
- Implementation of the **"Developing A Curriculum" Programme** to improve capability in critical positions in order to ensure a future-ready workforce.
- Embarked on the **Individual Development Plan (IDP) initiative** to chart career paths to leadership roles.
- Established **Gender Equality and Women Empowerment Committee**.
- Malaysia's first food and agriculture company to sign the UN-backed SBTi's Business Ambition for 1.5°C pledge.
- Improved in the SPOTT rankings, **rising from 23rd to 19th with an overall assessment score of 74%**.

REINFORCING SUSTAINABILITY





FGV is preparing for the full adoption of a holistic sustainability approach, which will drive the company to **Rethink, Repurpose, and Redesign** its business strategy in order to become a zero-impact business

Crossing The Chasm 2022 - Rethink

- Revision of policies and standards
- Resolving resistance and lack of integration
- Feasibility study and reassessment of existing and new business strategy
- Understanding impacts of FGV through Life Cycle Assessment at all products levels
- Enhancement of existing sustainability programmes
- Strengthen governance for a holistic approach
- Promote sustainability-related innovation management

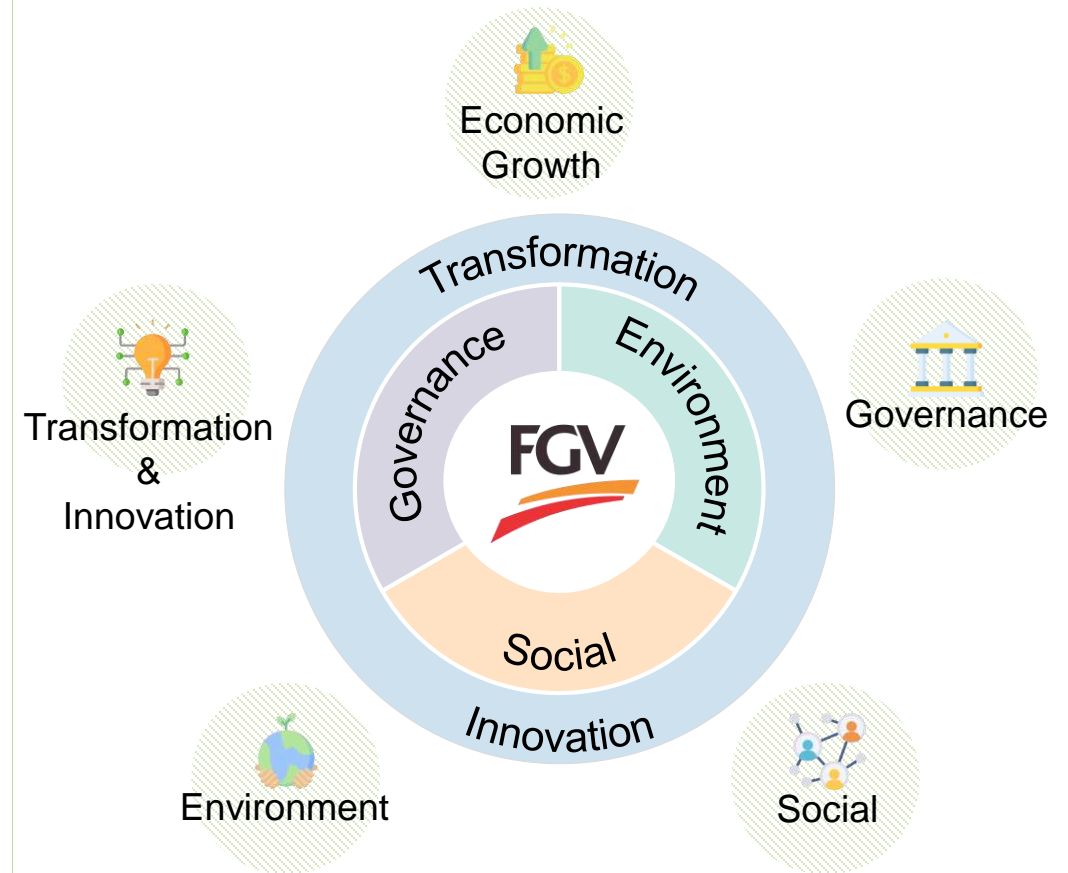
Taking The Leap 2023 - Repurpose

- Adoption and integration of a holistic sustainability approach at the operation level
- Management of negative impacts throughout operations
- Building a culture that integrates sustainability principles in improving profitability and livelihood
- Commitment to zero-impact business operations through circularity (closed-loops)
- Full ethical investment and sourcing

Bridging At Peak 2024 - Redesign

- Redesign processes and products to close the loop
- Full and continuous compliance for sustainability regulations and standards at national and global level
- Continuous engagement and materiality assessment
- Continuous improvement on policies and internal standards
- Branding of FGV as a sustainability-based commerce

Sustainability Framework





Promoting Economic Growth

- Enhancing Livelihood
- Profitability & Efficient Use of Resources
- Obligation of Value Chain Partners



Respecting Human Rights

- Equality and Non-Discrimination
- Upholding Labour Standards
- Respecting Rights of Indigenous Peoples and Local Communities
- Health and Safety
- Preventing Harassment and Abuse



Protecting The Environment

- Efficient Use of Natural Resources
- Managing Environmental Impacts
- No Deforestation and Planting on Peat
- Protect High Biodiversity Value (HBV) and High Conservation Value (HCV) Areas
- Limitations on the Use of Hazardous Chemicals and Agrochemicals
- No Open Burning/Use of Fire
- Water Management & Waste Management
- Addressing Climate Change

COMMITMENT TO ESG



Climate Action

We aim to become a net-zero business through the Science-Based Targets initiative (SBTi), which requires us to execute and meet target settings for a consistent transition to clean energy. Our strategies are guided by a groupwide climate action plan which includes plans for climate governance, carbon management, waste management, water management, operational efficiency, and climate awareness.

Biodiversity and Wildlife

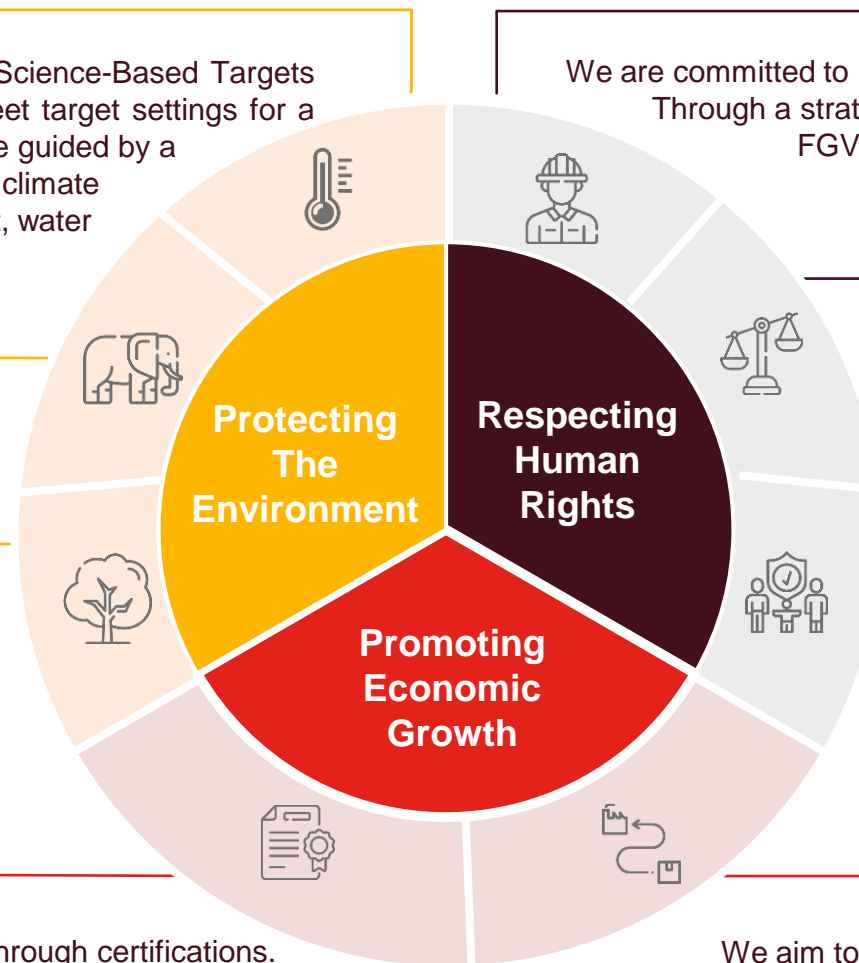
We are committed to economic participation with zero environmental impact through the conservation of biodiversity and wildlife protection.

Land Management

We remain committed to the No Deforestation, No Peat and No Exploitation (NDPE) policy in our efforts to create sustainable operations throughout our supply chain. FGV has also embarked on an initiative to protect and enhance High Conservation Value (HCV) and High Carbon Stock (HCS) areas in the vicinity of FGV and FELDA.

Sustainability Certification

We promote sustainability practices in our operations through certifications. We have achieved 97% MSPO-certified status for our mills and estates since 2020. Currently, 30 of our 67 mills are RSPO-certified, and we intend to achieve full RSPO certification for our mills and estates. Throughout our operations, we maintain RSPO, MSPO, and ISCC certifications.



Enhancing Labour Practices

We are committed to upholding the best labour practices throughout our operations. Through a strategic partnership with Fair Labor Affiliation (FLA), which guides FGV in the principles of responsible sourcing to uphold and protect workers' rights, we adopt the best standards and practices.

Equality and Empowerment

We strive to advance gender equality and women empowerment for all employees, including migrant workers and community members. A Gender Equality and Women Empowerment Committee was established to create an environment in which women can have equal and non-discriminatory access to all opportunities.

Child Protection

We support Malaysia's national agenda to eliminate and prevent child labour. FGV has implemented a child protection programme based on extensive mapping and risk assessment to reduce the risk of child labour in our operations and supply chain.

Traceability

We aim to achieve 100% traceability throughout our supply chain across all our business sectors. To date, we maintain 100% palm oil traceability to mills (TTM) and 98% traceability to plantations (TTP). FGV also conducts GSP and Supplier Code of Conduct (SCOC) socialisation to promote sustainability practices and ensure compliance with sustainability standards.

FUTURE OUTLOOK



We are progressing on a clearly defined strategic road map to drive future growth and sustainable-value creation in delivering sustainable food and agriproducts to the world.

Vision





Delivering Sustainable Food and Agriproducts to the World

Commodities

Consumer Products

 Plantation Producer of Sustainable Palm Products, Animal Feed and Rubber
 Cash Crops & Dairy High-value/ Margin Crops and Dairy Products
 Sugar Premium Sugar Producer
 Renewables Renewable Energy & By-Products

 Food Branded Consumer Products FMCG
 Non-Food Branded Consumer Products FMCG

Wide Range Of Products & High Value-added Business Activities





Infrastructure For Market Access, Branding And Innovation



Logistics & Transportation
 Ports & Tank Farm Infrastructure
 Trading & Distribution Centre
 Brand Builders & Market Penetrators
 Technology, R&D and Product Development

 Operational Improvement
 New Growth Area

 Product & Market Penetration
 Financial & Capability Building

Strategic Thrusts



Key Enablers



 Human Capital
 Financial
 Sustainability

PRIORITIES

PLANTATION

- Intensify crop evacuation and replanting efforts.
- Aggressive labour recruitment in collaboration with the government and designated organisations in the countries of origin
- Enhance modernisation & mechanisation to reduce labour dependency in the long term
- Stringent process control to improve OER
- Increase presence in destination markets through collaboration and strategic partnerships.
- Develop food and non-food products for premium markets
- Reduce the use of inorganic fertilisers by using bio-fertilisers and better soil.
- Stabilise operation and quality parameters of Green Rubber
- Rationalisation of non-performing asset



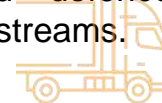
SUGAR

- Address operational issues to improve MSM Johor's utilisation.
- Explore premium markets for value-added product segments with higher selling prices.
- Improve energy management and reduce carbon emissions through solar and biomass projects
- Digitalisation through IR 4.0 and business analytics



LOGISTICS AND OTHERS

- Increase in the handling of premium products such as oleochemical and biodiesel
- Boost external capabilities in inland transportation, MTO, oil and gas, courier services, and 3PL Warehousing
- Explore the technology and defence industries as potential revenue streams.



SUSTAINABILITY

- Continuous engagement and clarification with RSPO in our efforts to resume RSPO certification work
- Manage the US CBP WRO issue through engagement with an appointed independent assessor
- Uphold human rights and fair labour practices through affiliation with Fair Labor Association



CONSUMER PRODUCTS

- Strengthen brand equity and presence in the local and international market
- Grow market share in the cooking ingredient product category



INTEGRATED FARMING

- Develop a large-scale farming area for major agriculture activities
- Increase cash crop, dairy, paddy and animal feed production.
- Development of new agri-food-based products



MOVING FORWARD

We foresee a dynamic year of growth as we continue to transform and restructure our business model.



Further sweating of assets across Plantation operations to improve key operational metrics while optimising the value chain to expand our reach, market presence, and product offerings.



In the Sugar business, we maximise asset utilisation and optimise local presence through aggressive sales strategy, regional export penetration and value-added business activities.



We intend to expand our Logistics capabilities further through market expansion and diversification, while enhancing operational effectiveness.



We continue to refine and adapt sustainability approaches in response to changes in the environmental and operating landscapes, with the goal of creating long-term value for stakeholders.




THANK YOU

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