



# FGV HOLDINGS BERHAD

CGS-CIMB 16<sup>TH</sup> ANNUAL MALAYSIA  
CORPORATE DAY  
4 JAN 2024



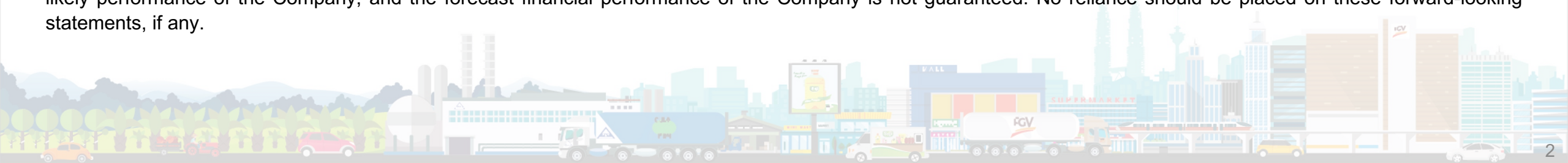
# DISCLAIMER



These materials have been prepared by FGV Holdings Berhad (“FGV” or the “Company”) solely for informational purposes, and are strictly confidential and may not be taken away, reproduced or redistributed to any other person. By attending this presentation, participants agree not to remove this document from the conference room where such documents are provided without express written consent from the Company. Participants agree further not to photograph, copy or otherwise reproduce these materials at any point of time during the presentation or while in your possession. By attending this presentation, you are agreeing to be bound by the foregoing restrictions. Any failure to comply with these restrictions may result in a violation of applicable laws and commencement of legal proceedings against you.

It is not the Company’s intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company’s financial position or prospects. The information contained in these materials has not been independently verified and is subject to verification, completion and change without notice. The information contained in these materials is current as of the date hereof and are subject to change without notice, and its accuracy is not guaranteed. The Company is not under any obligation to update or keep current the information contained in these materials subsequent to the date hereof. Accordingly, no representation or warranty, express or implied, is made or given by or on behalf of the Company, or any of its directors and affiliates or any other person, as to, and no reliance should be placed for any purposes whatsoever on, the fairness, accuracy, completeness or correctness of, or any errors or omissions in, the information contained in these materials. Neither the Company, its directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of these materials or their contents or otherwise arising in connection therewith.

These materials contain historical information of the Company which should not be regarded as an indication of future performance or results. These materials may also contain forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements reflect the Company’s current views with respect to future events and are not a guarantee of future performance or results. Actual results, performance or achievements of the Company may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future, and must be read together with such assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of the Company, and the forecast financial performance of the Company is not guaranteed. No reliance should be placed on these forward-looking statements, if any.







# OUR STORY



**THIS  
PRESENTATION  
DETAILS OUR  
JOURNEY  
TO CREATE  
GREATER  
VALUE.**

**01**

**OUR  
STORY**

Overview of FGV as a premier agribusiness and food company

**02**

**OUR  
PERFORMANCE**

Financial and operational performance

**03**

**OUR  
COMMITMENT**

ESG adaptations in current challenges

**04**

**OUR  
FUTURE**

Action plan in the near future



# WHO WE ARE



**Delivering Sustainable Foods And Agriproducts To The World.**



## MISSION

- Developing and producing **high-quality and sustainable products.**
- Practicing a **healthy and innovative working environment.**
- Establishing an **integrated value chain.**
- The embodiment of **governance and compliance.**
- Cultivating **diversification in products and geographies.**

## PRESENCE

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



## LISTED SINCE

28 June 2012  
(Ticker: 5222)

## SHAREHOLDINGS

FELDA	81.9%
Kerajaan Negeri Pahang	5.0%
Public	13.1%

## EMPLOYEES

Total 51,919  86%  14%

## OPERATIONS

**Agribusiness**  
(Producing Sustainable Palm Products, Rubber and Cash Crops, including R&D)

**Oils & Fats**  
(Manufacturing and Trading of Oils and Fats Products)

**Green Energy**  
(Bio-Feedstock, Power Generation and Biotechnology)

**Consumer Products**  
(FMCG, Food Security and Food Technology)

**Total Logistics Solutions**  
(Storage & Transport Facilities and Supporting Businesses)

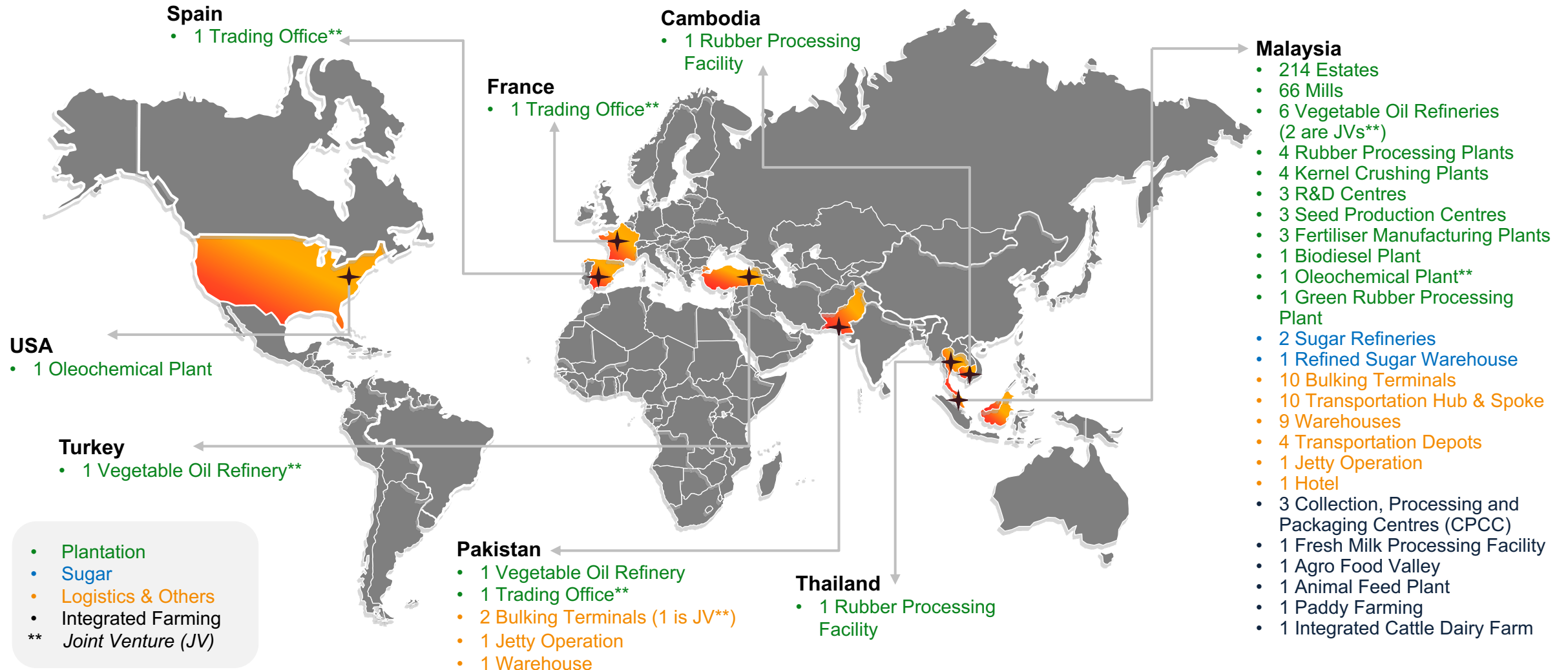
## CONSUMER PRODUCT BRANDS



# GLOBAL PRESENCE



**We Operate In Eight (8) Countries Across North America, Europe And Asia.**





# MAXIMISING VALUE CHAIN

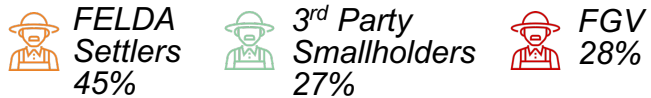


## PLANTATION

### Upstream

- 214 Estates
- 416,473 Ha of total landbank

- 66 mill complexes (100% MSPO & 45% RSPO-certified)
- Processed 14.25 mn MT FFB



- Produced 2.90 million MT of CPO

### Marketing & Trading

- Sales of CPO & PPO



### R&D

Yangambi ML161

- Award-winning planting material with >40% domestic seed market share
- ~700,000 MT/year fertiliser produced



## CONSUMER PRODUCTS



#1 refined cooking oil brand in Malaysia with 44.8% market share

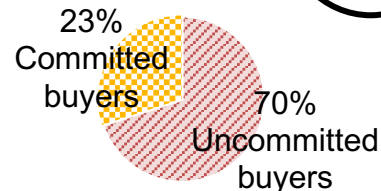


#1 margarine brand in Malaysia with 48.8% market share



## INTEGRATED FARMING

- Cooking Ingredient
- Integrated Dairy Farming
- Fresh Produce
- Animal Feed



## SUGAR



GULA PRAI

- 2.05 mn MT annual sugar production capacity
- Among the largest sugar refiner in the world with ~60.0% market share in the domestic refined sugar market



## LOGISTICS & OTHERS

### Bulking

- 1.07 mn MT of storage capacity (including Malaysia and Pakistan)



Liquid  
0.95 mn MT



Dry Cargo  
0.12 mn MT

### Transport

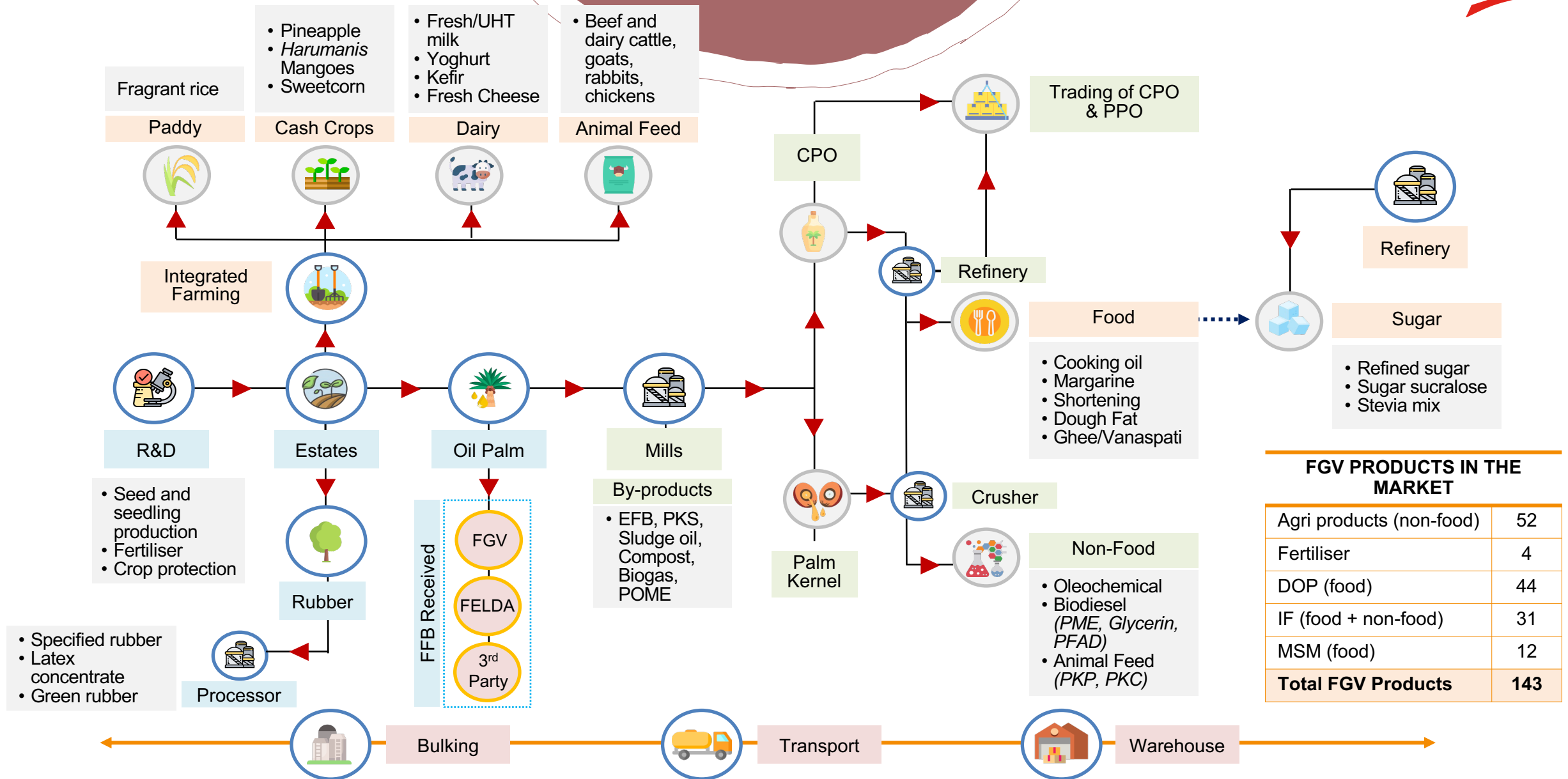
- >600 units of mixed fleets vehicle



### Others

- FGV services ensure a consistent supply of our products in the market (Felda Travel, Prodata)

# BUSINESS OVERVIEW



## FGV PRODUCTS IN THE MARKET

Agri products (non-food)	52
Fertiliser	4
DOP (food)	44
IF (food + non-food)	31
MSM (food)	12
<b>Total FGV Products</b>	<b>143</b>



A large collection of Saji and Adela brand products, including rice, cooking oil, yogurt, and various condiments, displayed against a white background. The products are arranged in a dense, overlapping manner, showcasing a wide variety of items. On the left, there are fresh fruits like a pineapple, corn, and bananas. The central and right portions of the image are filled with packaged goods, including bags of rice, large bottles of cooking oil, and various containers of yogurt and condiments. The Saji logo is prominently featured on many of the products, indicating the brand's extensive product line. The overall presentation is vibrant and appealing, highlighting the quality and variety of the offerings.





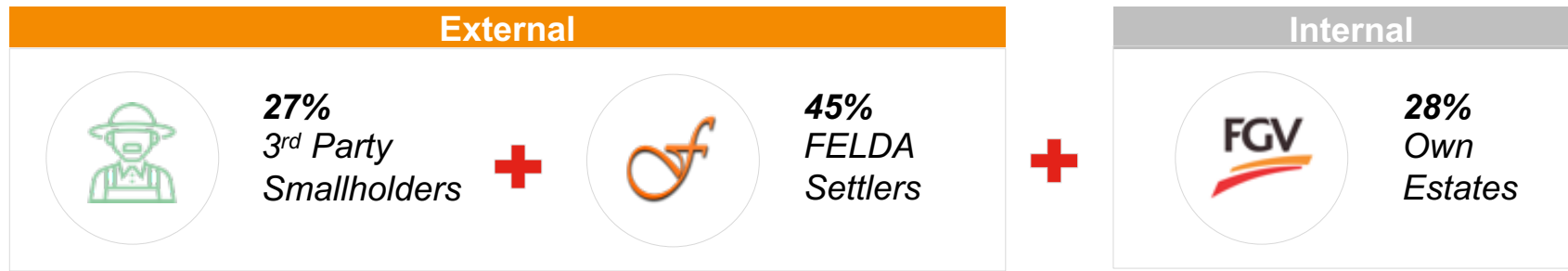
# OUR PERFORMANCE



# UNDERSTANDING FGV



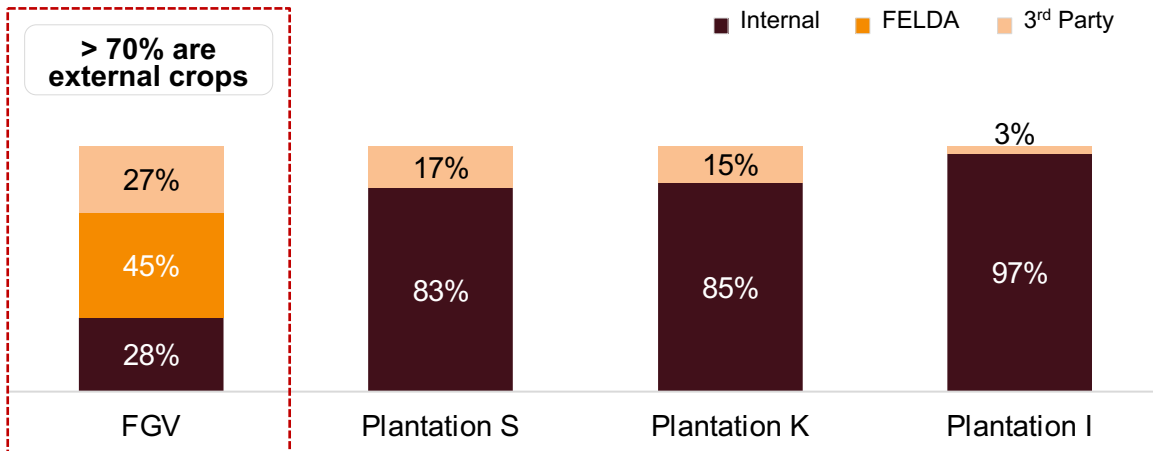
**We Process Around 14.0 Mn MT Of FFB Yearly, Accounting For 4% Of Global And 16% Of Malaysian CPO Production.**



## Operational Capabilities

FGV vs. Peers – Source of FFB (%)

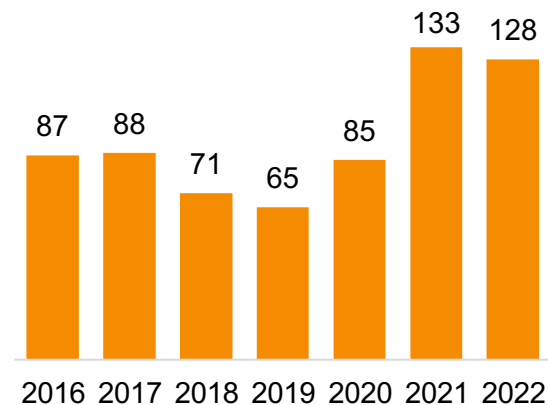
Internal FELDA 3<sup>rd</sup> Party



## Revenue Generation & Profitability

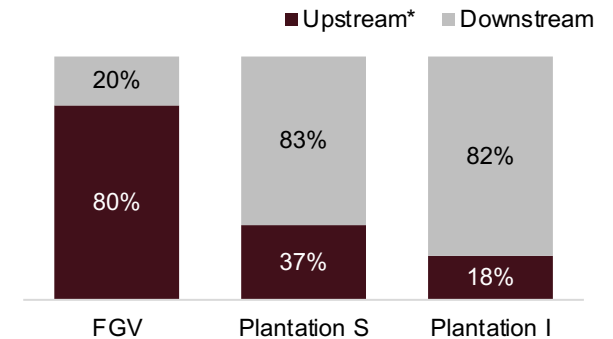
### I. Additional LLA-related cost

LLA-related Cost (RM/MT)



### II. Focus on upstream products rather than downstream products



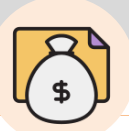

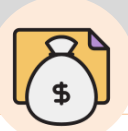
FGV vs. Peers – Revenue Breakdown (%)



# FINANCIAL HIGHLIGHTS



**We Are Experiencing A Margin Squeeze Due To Lower FFB Processed, Reduced CPO Prices, and Rising CPO Costs Ex-mill.**

	Revenue (RM mil) 	PBZT (RM mil) 	PATAMI (RM mil) 	Avg CPO Price (RM mil) 	CPO Cost ex-mill (RM mil) 
<b>9M 2023<sup>1</sup></b>	13,994	157	31	3,948	2,871
<b>FY 2022<sup>2</sup></b>	25,562	1,955	1,329	4,832	2,182

<sup>1</sup>Unaudited figures

<sup>2</sup>Audited figures



## We Continue To Position Ourselves For Long-term Sustainable Growth.

IPO proceeds were invested on investments that did not contribute positively to overall performance

### Challenge 1

Divestment of the non-performing investments such as CNS, FGVGE

### Underperforming JVs

### Challenge 2

Negotiate with partners to improve terms, and build in-house capabilities to diversify income stream

### Concerns about Governance and Integrity

### Challenge 3

Governance practices, procurement processes, and the appointment of key leadership roles are currently being actively strengthened

### Unfavourable palm age profile

### Challenge 4

Execution of an annual replanting program covering around 10,000 - 15,000 Ha

### Challenging business landscape

### Challenge 5

Implementing a comprehensive strategic plan that encompasses business, financial, and operational targets

### High dependency on the Upstream business

### Challenge 6

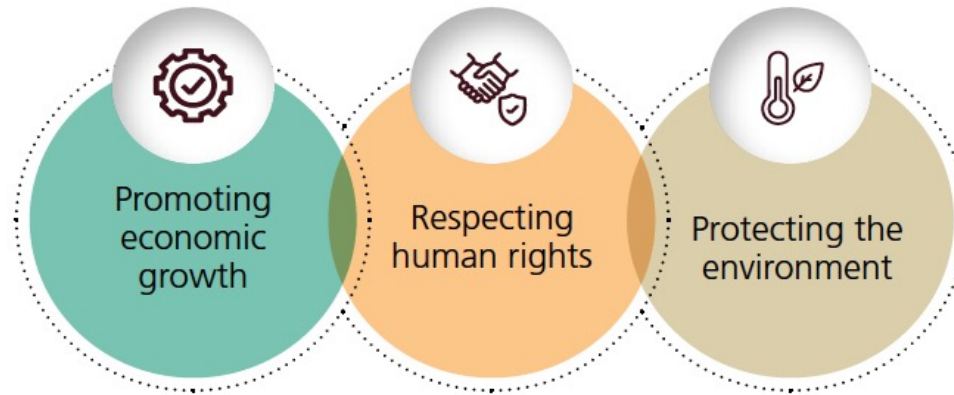
Embarking on higher value-added products for increased returns, such as consumer goods

A 3D rendered scene of a kitchen. A woman with dark hair, wearing a white long-sleeved shirt and a black apron with the 'FGV' logo, stands in the center-right, giving a thumbs-up. The kitchen features orange walls, orange cabinets, and a red refrigerator. A table with a purple tablecloth and two orange chairs is in the foreground. A washing machine is visible on the right. The floor is a solid light blue.

# OUR COMMITMENT



**We Are Preparing For The Full Adoption Of A Holistic Sustainability Approach, Which Will Drive The Company To Rethink, Repurpose, And Redesign Its Business Strategy To Become A Zero-impact Business.**



## RETHINK (2022)

### Crossing The Chasm

- Revision of policies and standards
- Resolving resistance and lack of integration
- Feasibility study and reassessment of existing & new business strategies

- Enhancement of existing sustainability programmes
- Strengthening governance for a holistic approach
- Promoting sustainability-related innovation management

## REPURPOSE (2023)

### Taking The Leap

- 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 into improving profitability and livelihood
- Commitment to zero-impact business operation through circularity
- Full ethical investment and sourcing

## REDESIGN (2024)

### Bridging At Peak

- Redesign processes and products to close the loop
- Full and continuous compliance with sustainability regulations and standards at national and global levels

- Continuous engagement and materiality assessment
- Continuous improvement on policies and internal standards
- Branding of FGV as a sustainability-based commerce

# GROUP SUSTAINABILITY POLICY

**We Will Continue To Integrate Sustainability Into Our DNA And Are Committed To Create Positive ESG Impacts For The Business And Stakeholders.**



## Promoting Economic Growth

- Responsible sourcing - support for suppliers, and smallholders.
- Responsible production - Obligation of value chain partners through traceability and certification.



## Respecting Human Rights

- Equality and non-discrimination
- Upholding labour standards
- Respecting the rights of indigenous peoples and local communities
- Health and safety
- Preventing harassment and abuse



## Protecting The Environment

- Addressing climate change
- 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
- Water management and waste management
- Efficient use of natural resources

# COMMITMENT TO ESG

## Climate Action

Embarking on a climate action plan to enhance climate resilience and develop strategies to combat the long-term alteration of temperature and climate patterns. For example, aiming to halve greenhouse gas (GHG) emissions by 2030 aligns with our commitment to become a net-zero emission business by 2050.

## Biodiversity and Wildlife

Undertaking efforts to identify rare and endangered wildlife species, while actively carrying out initiatives to continuously conserve specific field systems and protect the ecosystem and natural habitats of these endangered wildlife.

## Deforestation

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

## Traceability & Supplier Mgt

Establishing a traceability system to consistently monitor the sources of supplied raw materials and implementing a transparent procurement process to achieve complete traceability throughout the supply chain, including capacity-building initiatives for smallholders.



## Enhancing Labour Practices

Upholding human rights and labour standards by keeping business operations free from the exploitation of migrant workers and respecting the rights of all workers. This includes implementing measures such as having a grievance mechanism, conducting pre-sourcing assessments on labour standards for recruitment agencies, and strictly prohibiting the charging of recruitment fees to migrant workers.

## Equality and Empowerment

Striving to advance gender equality and women's empowerment for employees at all levels, including migrant workers and relevant community members. FGV has established a Gender Equality and Women Empowerment Committee to enable an environment where women have access to all opportunities based on equality and non-discrimination.

## Child Protection

Seeking to support the national agenda to eliminate and prevent child labour in Malaysia. FGV has embarked on a child protection programme to minimise the risk of child labour in our operations and supply chain through extensive mapping and risk assessment.

## Sustainability Certification

Seeking to promote sustainability practices in our operations through certifications. Since 2020, we have achieved 100% MSPO-certified status for our mills and estates. Currently, 30 out of our 66 mills are RSPO-certified. Moving forward, we plan to attain full RSPO certification throughout all our mills and estates. FGV is committed to maintaining RSPO, MSPO, and ISCC certifications across our operations.



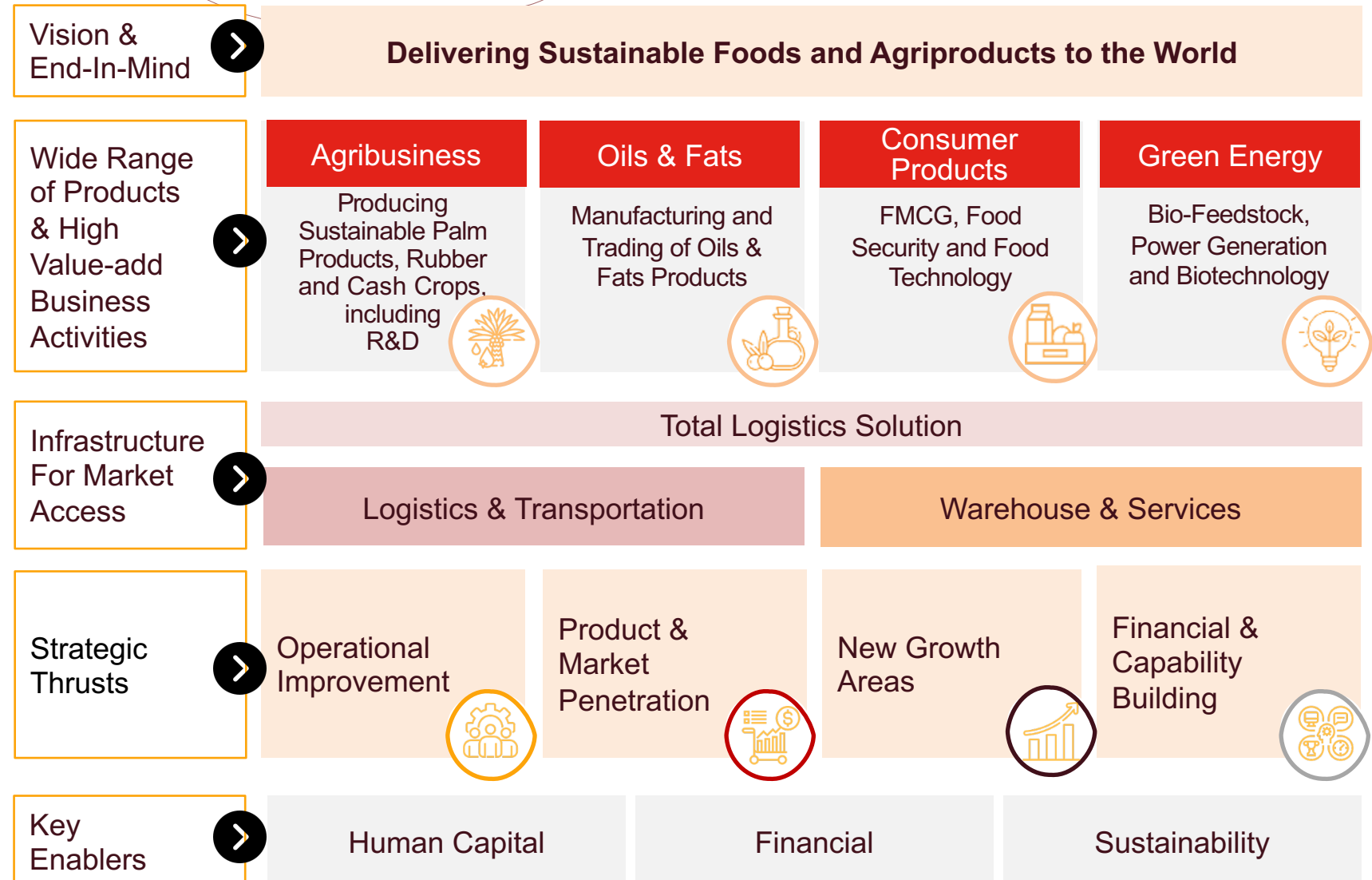


# OUR FUTURE



# BUSINESS STRATEGY

**The Business Plan Set Annual Milestones For FGV To Achieve Over A Three-year Period Through Organic And Inorganic Growth Initiatives.**



# PRIORITIES

## Operational Improvement



- Improve operational efficiency through enhanced modernisation and mechanisation, and replanting efforts
- Reinforce process controls in mills
- Boost capabilities in Logistics through external opportunities
- Increase sustainability engagements and intensify ESG initiatives
- Uphold human rights and fair labour practices
- Strengthen brand equity and presence
- Tighten governance practices and risk management

## Product & Market Penetration



- Improve refineries' utilisation factor and plant capacity
- Maximise renewable energy potential and intensify waste-to-wealth initiatives
- Grow value-add products by focusing on higher-value markets and by-products
- Develop a large-scale farming

## New Growth Areas



- Explore higher-value markets and product segments
- Establish a distribution centre and commission new Logistics business

## Financial & Capability Building



- Enhance labour strategy to Recruit and Retain
- Promote cost optimisation throughout business operations
- Improve talent management and develop internal capabilities

**We Aim To Grow Our Business Activities And Enhance Our Product Range In The Market While Increasing Revenue And Profitability Over Time.**



# MOVING FORWARD

## We Are Stepping Into A New Future.



Strengthen and improve our core plantation business while simultaneously **enhancing downstream presence, particularly in the consumer products business.**



Continuous **market growth and expansion of our product offering**, both domestically and internationally, and exploring opportunities within Malaysia's dynamic and thriving food industry.



Focus on improving yields, modernising mills, **bringing our manpower back to full strength and beyond**, as well as ensuring operational efficiency in place.



Create innovations that can **generate new revenue streams** through renewable energy and high-value crops.



Enhancing sustainability practices by cultivating a mindset aligned with **requirements, commitments, and market expectations.**



# THANK YOU

**FGV Holdings Berhad**  
200701042133 (800165-P)

Investor Relations Department  
Level 20, Wisma FGV,  
Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia

 +603 2789 0000  [fgv.investors@fgvholdings.com](mailto:fgv.investors@fgvholdings.com)  
 [www.fgvholdings.com](http://www.fgvholdings.com)