Forward Looking Strategy

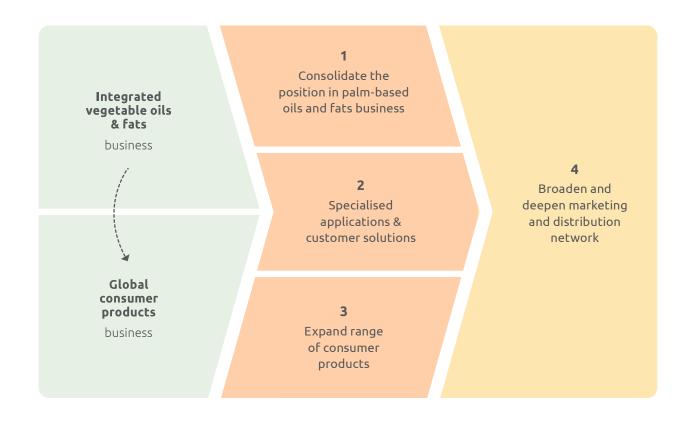
We are one of the key producers in the edible oils and fats industry with an integrated supply chain from midstream to downstream. comprising large integrated global distribution refineries. capabilities and a wide range of consumer products sold under own brands. Our strategic presence within this part of the end-to-end value chain allows us to efficiently satisfy the needs of both our customers and suppliers alike. We strive to remain ahead of the curve in terms of the global consumer products business within our segments by expanding our range of consumer products, crossoffering specialised applications and customer solutions. We continue to build a strong platform by investing in manufacturing facilities within

or adjacent to our value chain and adding new products to our portfolio.

Palm oil exports from Malaysia and Indonesia on a long-term basis are expected to be tight due to lower production growth and domestic biodiesel mandate enhancement programs. This supply side shortfall should continue to provide support to palm oil prices in the long run since the demand growth will continue in line with the increasing global population and income levels. We believe the current alobal challenging conditions will add to the need for industry consolidation enabling strong and integrated players such as ourselves to be benefitted. With our large integrated manufacturing facilities,

wide distribution networks and long-established reputed brands we have the right size and mix to successfully capture and deliver value to our long-term stakeholders.

To enhance our value chain, we had earlier invested in a biodiesel plant next to our Westport refinery. This has opened new growth opportunities for us. Since then, we had doubled the capacity of our biodiesel plant. In 2020, due to COVID-19 pandemic, Malaysia government's progress towards B20 biodiesel program was slow. We believe this to be a temporary phenomenon and remain committed to this portfolio within our products basket. Going forward biodiesel will continue to be an important catalyst for the palm oil industry.



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We remain continuously focused on our cost savings and sustainability efforts. We had earlier commissioned two Gas-turbine cogeneration plants in our Westport and Pasir Gudang refineries which have started contributing to our cost efficiencies and to a greener climate.

Our dairy-based products manufacturing facility in Malaysia has facilitated significant marketing and distribution synergies with our current Consumer Pack segment. Our tin-can making facility, has reduced the lead time from order to delivery as well as increased our flexibility in fulfilling customised packaging requirement of our consumers. In 2020, we have further enhanced our evaporated milk plant packing capacity. We are actively working towards adding more varieties to our dairy-based products.

Under our in-house R & D facilities, we remain focused on developing and offering specialised applications and customer solutions for different industries such as confectionaries, bakeries, food ingredients and the infant nutrition businesses. Similar to dairy-based products, rice and soap divisions continue to explore more consumer products that can be synergised with existing oils & fats supply chain.

Our ownership of three small vessels has brought logistic efficiencies as well as sharpened our internal capabilities in logistics management. This became more apparent during the recent COVID-19 pandemic influenced logistical hiccups. We will continue to further build upon our logistical capabilities.

We will keep exploring other organic and inorganic opportunities focused on demand-driven expansion of our integrated agribased consumer products business. We remain committed towards increasing our customer penetration across the globe by maintaining our own manufacturing presence in key geographies, supported by our marketing and distribution subsidiaries across our key markets.

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