

Live AGM Questions

Note: Some questions / comments by shareholders have been edited for clarity and brevity.

No.	Participant	Question / Comments
Door Gift & Others		
1.	Tan Mei Teng	Got gift?
2.	Tan Boon Lye	Got gift?
3.	Tan Kim Sing	Got gift? What gift?
4.	Tee Que Eng	Any gift?
5.	Yong Joon Fah	Is the company giving any doorgift to shareholders attending this AGM
6.	Cheah Yew Boon	Kindly give e-Voucher/e-Wallet to attendees as a token of appreciation for this annual event
7.	Lau Chuan Hooi	Will The Board consider giving door gift such e-voucher or e-wallets for those participating in this Agm as a token of appreciation
8.	Law Wei Yang	Any door gift provided?
9.	Leong Wai Leng	Afternoon BOD. Please send a copy of annual report to me n please give e-wallet or e-vouchers to those attend this meeting
Answer for Questions/comments no. 1-9: There will be no distribution of door gifts or food vouchers as stated in our AGM Administrative Guide. The Company's method of rewarding shareholders is through dividends. For FYE 2024, the Company has declared and paid dividend 12 sen (interim dividend: 9.0 sen per share and special dividend: 3.0 sen per share). These were paid on 16 August 2024.		
10.	Yong Joon Fah	When will the company revert to physical AGM
11.	Leo Ann Puat	Any plan to have physical or hybrid Agms in future years?
Answer for Questions/comments no. 10-11: Holding a virtual meeting is more effective, efficient and more convenient for the shareholders to participate in the meeting. This is also in line with Practice 13.3 of the MCCG which encourages companies to consider leveraging technology to facilitate electronic voting and remote shareholder participation. However, the Board will consider various factors, including the interests of shareholders, before deciding on physical meetings for future AGMs.		
12.	Leo Ann Puat	A brief presentation on the Group performance and the outlook will add value to the meeting. Please consider it for future Agms. Thank you. Answer: We take note of your suggestion and will consider it for future AGMs.
13.	Teh Peng Tin	How much does the company spend on this virtual agm? Would the BOD kindly give Touch n Go e- wallet as a token of appreciation for attending this RPV. I would like to request a printed hard copy of the company annual report When will the company going back to physical agm ?

No.	Participant	Question / Comments
Answer for Questions/comments no. 13: 1. The total cost of holding this virtual AGM is approximately RM45,000. 2. As stated in our AGM Administrative Guide, there will be no distribution of door gifts or vouchers. The Company's method of rewarding shareholders is through dividends. For FYE 2024, the Company has declared and paid dividend 12 sen (interim dividend: 9.0 sen per share and special dividend: 3.0 sen per share). These were paid on 16 August 2024. 3. We take note of your point. However, holding a virtual meeting is more effective, efficient and more convenient for the shareholders to participate in the meeting. This is also in line with Practice 13.3 of the MCGG which encourage companies to leverage IT.		
14.	Chong Lim Fah	<p>"Many companies, such as those using platforms like Tricor, Vote2You, Digerati, and Securities Services, allow shareholders to register and log in to attend AGMs on the same day, even during the meeting itself. However, our company still requires shareholders to register 48 hours in advance. Could you explain why we are behind in adopting more flexible registration processes, and whether there are plans to modernize this system to align with the practices of other companies?"</p> <p>This approach highlights the comparison while directly addressing the concern about outdated processes.</p>
Answer for Questions/comments no. 14: We value your feedback and we will look into this matter.		
Bulking		
15.	Lew Tuck Wai	<p>Question:</p> <p>The Bulking Division completed the construction of 43 new tanks in FY2024. Development of additional storage capacity in Port Klang and a new terminal in Tanjung Langsat is expected to be operational by Q1 FY2026.</p> <p>(1) What was the total capex spent for the 43 new tanks?</p> <p>(2) What is the budgeted capex for the additional Port Klang storage capacity and the new terminal in Tanjung Langsat?</p> <p>Answer:</p> <p>The capital expenditure (capex) spent for the 43 new tanks amounts to approximately RM129 million, while the capex for the additional tanks at both Port Klang and Tanjung Langsat developments stands at approximately RM115 million.</p>
Business Outlook		
16.	Lau Chuan Hooi	May I know, what is the company's future outlook?
17.	Teh Peng Tin	What's the future outlook and prospects of the company? Please advise
Answer for Questions/comments no. 1-17: For Plantation: If commodity prices remain at current levels, we expect the division's performance to be satisfactory.		

No.	Participant	Question / Comments
		<p>For Manufacturing: We are adopting a more cautious outlook for Manufacturing for this current financial year due to market dynamics related to the anticipated impact of governments transitioning to digital solutions.</p> <p>For Bulking: This current financial year is expected to be favourable, driven by contributions from the newly completed tanks, and the corresponding rise in freight/haulage handling activities.</p> <p>For Food: We anticipate that our markets in Papua New Guinea will remain relatively resilient, with improving volume trends. As such, we expect the Food division's performance in FY2025 to be satisfactory.</p>
Plantation		
18.	Leo Ann Puat	<p>Question:</p> <p>The Yield per Hectare of the Plantation Division continue to decline to its lowest level of 14.18 MT per Hectare. Furthermore, Malaysia CPO production only increased marginally. This performance is below the average yield of most of the medium sized listed plantation companies on Bursa Malaysia.</p> <p>(1) What are the actions taken by management to improve the yield per hectare and the CPO production?</p> <p>(2) What is the budgeted capex for the Plantation division in FY2025?</p> <p>Answer:</p> <p>1. Actions taken by management to improve yield per hectare:</p> <ul style="list-style-type: none"> • Monitoring Productivity through daily and weekly reports at the estate level to ensure prompt identification and rectification of any issues. • Implementation of Good Agricultural Practices (GAP). • Mechanization and efficient FFB evacuation. • Enhancing cost efficiency and effectiveness through stringent monitoring and better resource management across all operations. <p>2. Budgeted capex FY2025 is approximately RM35.3 million of which RM9.7 million is allocated towards Property, Plant and Equipment, and RM25.6 million towards Estate Development Expenditure. These are mostly earmarked for new development projects.</p>
19.	Lew Tuck Wai	<p>Question:</p> <p>The CFO in his reply to the MSWG's questions stated that the one of the reasons for the reduction in the FFB yield is due to the ageing palm profile of the Indonesian plantation. Are there any plans to replant the ageing palm in Indonesia. What is the expiry date of the leases of the Indonesia plantations?</p>

No.	Participant	Question / Comments
		<p>Answer:</p> <p>There are currently no immediate plans for replanting since the FFB yield is still productive and generates a satisfactory return. Additionally, we have adequate number of skilled harvesters who can optimize yield extraction.</p> <p>Currently, and pending issuance of the land title, PTNJL operates its plantation activities under an Izin Usaha Perkebunan (IUP), which has no expiry date and its validity remains as long as PTNJL continues its operation.</p>
20.	Lew Tuck Wai	<p>Question:</p> <p>Currently, Kumpulan Fima and Fima Corporation plantation operation does not have any palm oil mills in its Malaysian plantations. Does the Group have any plans for the setting up of a palm oil mill once the FFB production reached a certain level? If yes, is there a targeted date for the investment in a palm oil mill?</p> <p>Answer:</p> <p>Yes, we do have a long-term to develop palm oil mills in Sarawak and Kelantan. However, our FFB production must first reach sufficient volumes to ensure the mills are economically viable.</p>
Food		
21.	Lew Tuck Wai	<p>Question:</p> <p>The Food Division increased its Profit Before Tax by 179% to RM13.37 million in FY2024 despite the numerous challenges in the operations in PNG. (1) What was the reason(s) for the substantial increase in PBT despite the lower revenue and challenges faced? (2) Based on current operations as at the latest date, will the Food Division be able to sustain or improve the PBT for FY2025?</p> <p>Answer:</p> <ol style="list-style-type: none"> IFC's margins improved due to two main factors. First, we had increased our selling prices in July and September of last year to offset rising costs. Second, we have managed to enhance our operational efficiencies and reduce labor overhead costs. Going by the recent Q1 FY2025 results, we believe that the Food Division should be able to maintain current margins. Accordingly, we expect the performance for our Food Division to be satisfactory in FY2025.
Financial		
22.	Lew Tuck Wai	<p>Question:</p> <p>The purchase of property, plant and equipment increased substantially to RM145.033 million (FY2023: RM92.863 million) (Statement of Cash Flows - Page 184 of AR)</p> <p>(1) Which Division incurred the bulk of the RM145.033 million capex spent in FY2024?</p> <p>(2) What is the Capex budgeted for FY2025 and the breakdown?</p> <p>Answer:</p> <ol style="list-style-type: none"> Bulking Division accounted for the majority of the RM145.033 million

No.	Participant	Question / Comments
		<p>capex spent in FYE2024. Specific projects included the addition of new tanks in Port Klang and Tanjung Langsat, totalling RM102.5 million. Plantation Malaysia Division incurred RM21.5 million for bearer plant costs in Kuala Betis, Aring, and Sg Siput estates, while PKN incurred RM13.3 million on its relocation to a new factory complex in Bangi.</p> <p>2. The total budgeted capex for FY2025 is RM64.6 million, with the following breakdown:</p> <ul style="list-style-type: none"> • Bulking: RM20.7 million • Plantation: RM35.1 million (including bearer plants) • Food: RM4.9 million • Manufacturing: RM2.3 million • Others: RM1.6 million
23.	Lew Tuck Wai	<p>Question:</p> <p>The Group increased its Term Loan borrowings to RM91.559 million in FY2024 (FY2023: RM19.196 million) and this has resulted in higher Finance Cost for FY2024. Why did the Group increase its borrowings despite having cash and financial investments totalling RM371 million as at 31 March 2024?</p> <p>Answer:</p> <p>The RM371 million represents the total cash and financial investments for the entire Group. While some divisions have significant cash reserves, others may require financing. The higher term loan reflected in the Financial Statements is mainly related to financing facilities obtained by our Bulking subsidiaries for their operations and projects. We do not practice inter-company advances.</p>