

SUSTAINABLE
GROWTH,
EMBRACING
TECHNOLOGY.



全利資源有限公司
Resources Berhad

27th Annual General Meeting

29th August 2024

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Business Performance Review & Outlook

Mr Chia Song Kooi, Group CEO

27th Annual General Meeting

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EMBRACING TECHNOLOGY.**

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- Group ESG highlights
- 1st Quarter FY2025 results summary
- Overall business outlook FY2025



Performance Review & Operational Highlights of FY2024 vs FY2023

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Performance Review – Overall : FY2024 vs FY2023

RM'million	FY2024	FY2023	% Change
Revenue	6,652.1	6,242.6	+6.6%
Profit before tax (PBT)	626.5	480.8	+30.3%
PBT % margin	9.4%	7.7%	
Profit after tax after MI (PATAMI)	437.8	346.8	+26.2%
PATAMI % margin	6.6%	5.5%	

- Another year of uninterrupted **Revenue** growth, attributable to improved sales across all segments especially CVS & POCE segment.
- Another record year of **PBT**, RM627 mil which grew by 30.3% YoY, attributable to
 - Margin improvement across all segments to 9.4%
 - Strong profitability growth of more than 20% for ILF, CVS & POCE segment

Performance Review – Segment: Marine Products Manufacturing



Leading producer of surimi-based food items in Southeast Asia

RM'million	FY2024	FY2023	% Change
Revenue	1,377.8	1,341.7	+2.7%
Profit before tax (PBT)	275.8	242.2	+13.9%
PBT % margin	20.0%	18.0%	

- Sustained revenue performance with a growth of 2.7%, helped by higher sales volume as well as better export price due to stronger USD.
- PBT increased by 13.9% due to improved margin as a result of better fish landing, lower material input cost for surimi-based products and higher export price.

Operational Highlights - Segment: Marine Products Manufacturing



- New **production plant in Kulai**, Johor producing gyoza & other ready-to-cook foods (7,000 mt annual capacity) was commissioned in December 2023.
- New **Indonesian surimi-based products plant** (25,000 mt annual capacity) commissioned and in operation since April 2024
- **Land acquisition in Hutan Melintang** for the surimi-based product expansion plan has been completed. The process of land partitioning, conversion and development order application are in progress and expected to conclude within FY2025.

Performance Review - Segment: Integrated Livestock Farming



Leading poultry egg producer in ASEAN

RM'million	FY2024	FY2023	% Change
Revenue	3,510.7	3,439.4	+2.1%
Profit before tax (PBT)	227.4	183.1	+24.2%
PBT % margin	6.5%	5.3%	

- ILF's revenue increased marginally by 2.1%, driven by stable selling prices and sustained volume of farm produce with the contribution of newly acquired layer farm.
- PBT increased by 24.2% attributable to improved margin as a result of lower feed cost & improved farming operations efficiency, supported by the government cost subsidy and ceiling price mechanism.

Operational Highlights - Segment: Integrated Livestock Farming



- Strong performance of Malaysia's farming operations supported by lower feed costs, diversification of sales & distribution channels initiative, higher contribution by branded eggs as well as improved operations efficiency.
- Indonesia & Vietnam farming operations remained challenging towards 2nd half of the year due to lower selling prices as a result of weaker consumer sentiment.
- Newly acquired layer farm in Melaka contributed positively from Q3 of the financial year onwards.
- Adoption of a more comprehensive centralised farm management IT system & IOT installations to collect real time farm production data and insights, to pave the way for better data analytics and decision making.

Performance Review - Segment: Convenience Store Chain



The FM convenience store chain supported by 2 central kitchens, offers a wide range of wholesome RTE and easily prepared meals to consumers

RM'million	FY2024	FY2023	% Change
Revenue	1,087.2	861.0	+26.2%
Profit before tax (PBT)	59.0	43.7	+34.9%
PBT % margin	5.4%	5.1%	

- CVS's revenue crossed the RM1 billion milestone in FY24 with the increase of 26.2%, mainly due to better average store sales coupled with opening of 38 outlets and 32 FM Mini.
- PBT increased by 34.9% which is in line with higher sales achieved as well as improved margin from the store operation efficiency improvement.

Operational Highlights - Segment : Convenience Store Chain



- In FY2024, we opened 38 FamilyMart stores and 32 FM mini.
- As at end of FY2024, we have 395 operating outlets and 102 FM Mini vending machine, this includes 97 halal certified FamiCafé.
- For our central kitchen operations, we have embarked on new avenue to supply inflight meals for MAS Awana.

Performance Review - Segment: Palm Oil & Clean Energy



Leading provider of ESG solutions comprising bioenergy, RE & water treatment solutions. Also, manages over 16,000 ha of palm oil estate.

RM'million	FY2024	FY2023	% Change
Revenue	676.3	600.5	+12.6%
Profit before tax (PBT)	64.3	11.7	+448.0%
PBT % margin	9.5%	2.0%	

- POCE's revenue increased by 12.6% mainly due to higher FFB production tonnage and increased CE project recognition for Bio-Energy as well as Solar business.
- PBT increased significantly by 448.0% due to improved margin with better operations efficiency and favourable steel & solar panel material prices, in addition to the one off RM12.8 mil disposal gain of the palm oil mill.

Operational Highlights - Segment : Palm Oil & Clean Energy

Palm Oil Activities (POA)

- Recorded higher FFB production tonnage by 12% in FY2024, however offset by lower CPO prices by 15%YoY.
- One of the Tawau palm oil mill was disposed in Q4 FY2024. We will continue to explore disposal opportunity for the remaining mill and estate in Sabah.
- Arbitration proceedings relating to Indonesia plantation business arising from shareholders dispute is still ongoing.

Clean Energy – BM Greentech

- Record revenue attained in all segments (bio-energy, water treatment & solar energy) supported by increased project progress recognition.
- Strong PBT performance due to improved margins attributable to economies of scale & favorable steel & solar panel prices.



Group ESG highlights

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Group ESG Performance & Highlights



Inclusion into the
FTSE4Good Bursa Malaysia Index
FTSE4Good Bursa Malaysia Shariah Index
 (with effect from 24 June 2024)




**MSCI ESG Ratings of
 BBB maintained**

ENVIRONMENTAL RESPONSIBILITY		SOCIAL RESPONSIBILITY		GOVERNANCE RESPONSIBILITY	
	<ul style="list-style-type: none"> ➤ 45% of energy requirements derived from renewable resources ➤ 7% GHG intensity reduction from FY20 baseline ➤ 95% waste diverted from landfills and incineration 		<ul style="list-style-type: none"> ➤ Benefitted over 11,000 individuals via various community initiatives ➤ RM22 million interest-free financial aid contributed via FFAS to 895 fishermen 		<ul style="list-style-type: none"> ➤ Zero case reported on Anti-Bribery



1st Quarter FY2025 results summary

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Summary of 1st Quarter FY2025 results

RM'million	1QFY25	1QFY24	% Change
Revenue	1,620.3	1,599.4	+1.3%
Operating profit	231.5	216.6	+6.9%
Profit before tax (PBT)	153.2	136.4	+12.3%
PBT % margin	9.5%	8.5%	
Profit after tax after MI (PATAMI)	107.4	92.8	+15.8%
PATAMI % margin	6.6%	5.8%	

- a) Revenue increased marginally due to higher CVS sales which was offset by lower sales in other segments.
- b) PBT increased by 12% due to improved margin across all segments:
- Surimi-based products has benefited from cheaper material input costs.
 - Improved performance of farming operations in Malaysia & Vietnam helped by lower feed costs.
 - Higher average store sales in CVS helped by pent up demand from EPF Account 3 withdrawal scheme.
 - Higher CPO prices and improved margin in solar business



Overall business outlook FY2025

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Outlook by Business Segment

Neutral to Positive outlook on Marine Products Manufacturing (MPM)

- Fish landing expected to remain stable.
- Fishmeal business to face price pressures due to increased fishing quota in Peru, competition from India & Thailand coupled with weaker demand from global aquaculture sector as well as weaker USD against MYR.
- Surimi business to face continued price pressure from Russia competition but this will favor surimi-based products business with lower input costs.

Positive outlook on Integrated Livestock Farming (ILF)

- Feed raw material business expected to normalise with stable volume & price.
- Performance of Malaysia operations is expected to sustain with lower feed cost coupled with the current egg ceiling price & cost subsidy mechanism. This mechanism may be lifted in 2nd half of FY25.
- Farm produce prices and margin in Indonesia & Vietnam operations are expected to improve.



Neutral to Positive outlook on Convenience Store Chain (CVS)

- We are still on track to achieve target of opening 600 outlets by FY2027. We will continue to focus on outlet openings in East Coast region and establishment of a distribution center in Kuantan.
- New EPF Account 3 withdrawal scheme may improve consumer sentiment in the short term and normalize subsequently.
- The anticipated salary hike for civil servants in December 2024 may also give rise to improved spending sentiment.
- To continue driving sales via various marketing activities and margin enhancement initiatives.



Positive outlook on Palm Oil & Clean Energy (POCE)

Palm Oil Activities

- FFB production and OER are expected to improve which may mitigate downside risk from the fluctuating CPO price.

Clean Energy – BM Greentech

- BM Greentech's business model is strongly aligned with Malaysia's National Energy Transition Roadmap (NETR) and global sustainability goals.
- Proposed acquisition of Plus Xenergy provides synergy to the current operations and expected to enhance the company's capability to capture increasing demand for clean energy solutions.
- Healthy project order book will help to drive revenue growth. Margin is expected to be stable subject to Forex and raw material price fluctuation.

Overall Group Outlook for FY2025

**Overall outlook:
Cautiously
positive**

Despite uncertain economic outlook caused by prolonged high interest rate environment, potential US recession, ongoing geopolitical tensions and heightened Sino-US trade war, the management is **cautiously positive** on the overall outlook of the Group, given the resilient nature of its food businesses and CVS's expansion plans will continue to be a growth catalyst. In addition, through our subsidiary BM Greentech, we are well positioned to capture the growth opportunities in the renewable energy and ESG solutions segment.

Thank You



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