

**FAJARBARU BUILDER GROUP BHD (COMPANY NO. 199301026907 [281645-U]) (“FBG” OR “THE COMPANY”)**

**JOINT VENTURE BETWEEN FAJARBARU PLANTATION SDN BHD (COMPANY NO. 202001025054 [1381374-M]) (“FPSB”) AND AKOKAYA SDN BHD (COMPANY NO. 200401019008 [657511-P]) (“AKSB”) AND FAJARBARU AGRICULTURE SDN BHD (COMPANY NO.202201011286 [1456983-X]) (“FASB”)**

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## **1. INTRODUCTION**

The Board of Directors of FBG wishes to announce that FPSB, the wholly owned subsidiary of the Company has on 29 March 2022 entered into a Joint Venture Agreement (“JVA”) with AKSB (“collectively referred to as the “Parties”) for the purpose of regulating the conditions for and of a joint venture company, FASB.

The JVA is to formalize a collaboration between the Parties and to draw upon the skills, expertise, experience and capabilities of each other for the benefit of FASB with regards to carry out the “Penghutan Semula” and for fruit crops cultivation / plantation project.

## **2. INFORMATION ON FPSB**

FPSB is a company incorporated in Malaysia and having its registered address at No. 1 & 1A, 2<sup>nd</sup> Floor (Room 2), Jalan Ipoh Kecil, 50350 Kuala Lumpur and its business address at No. 61 & 63, Jalan SS6/12, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan. FPSB is principally involved in plantation.

FPSB is a wholly owned subsidiary of the Company.

## **3. INFORMATION ON AKSB**

AKSB is a company incorporated in Malaysia and having its registered address at No. 158-160, 2<sup>nd</sup> Floor, Jalan Teluk Sisek, 25000 Kuantan, Pahang Darul Makmur and its business address at No. 1, Tingkat Atas, Lot 7718, Bandar Inderapura, 27000 Jerantut, Pahang Darul Makmur. AKSB is principally involved in logging activities.

The Directors and Shareholders of AKSB are as follow:

### Director

- i. Datin Sri Leong Swee Peng
- ii. Dato’ Lim Siew Mei

### Shareholder

- |     |                           |                                |
|-----|---------------------------|--------------------------------|
| i.  | Datin Sri Leong Swee Peng | 99,999 ordinary share (99.99%) |
| ii. | Dato’ Lim Siew Mei        | 1 ordinary share (0.01%)       |

AKSB is the lawful and beneficial owner of the Lease for a period of Thirty plus Thirty (30+30) years (“the Lease”) on the land located in partial compartments 19-21, 23-38 and 56-64, Hutan Simpanan Som, Mukim Kuala Tembeling, Daerah Jerantut, Pahang Darul Makmur measuring in an area of 1,899.12 hectares (approximately 4,692.73 acres) (“the Land”). The Lease shall expire on 23 August 2080.

#### **4. INFORMATION ON FASB**

FASB is a company incorporated in Malaysia and having its registered address at No. 3A, Mezzanine Floor, Jalan Ipoh Kecil, 50350 Kuala Lumpur and its business address at No. 61 & 63, Jalan SS6/12, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan. FASB is principally involved in plantation.

The Directors and Shareholders of FASB are as follow:

##### Director

- i. Dato’ Sri Kuan Khian Leng
- ii. Datuk Seri Lau Kuan Kam
- iii. Dato’ Lim Siew Mei

##### Shareholder

- |     |      |                         |
|-----|------|-------------------------|
| i.  | FPSB | 91 ordinary share (91%) |
| ii. | AKSB | 9 ordinary share (9%)   |

#### **5. SALIENT TERMS OF THE JVA**

- i. FPSB and AKSB have agreed to enter into a joint venture for the purpose of carrying out the “Penghutanan Semula” portion on the Land and also for fruit crops cultivation / plantation (“the Project”) on the agreed area / block in partial of compartments 58, 59, 60, 61, 62 & 63, Hutan Simpan Som, Mukim Kuala Tembeling, Daerah Jerantut, Pahang Darul Makmur measuring in an area of  $\pm$  600 acres (“the Project Land”).
- ii. All the premium payable for the Lease on the Land shall be borne by FASB commencing from the date of the JVA.
- iii. The Parties shall not at all material times during the joint venture period assign any of its obligations herein in whole or in part of the JVA to any third parties or body corporate who is not a party to the JVA unless prior consent has been obtained from the other Parties.
- iv. FASB shall ensure that they will at all times comply with any provisions, conditions and / or restrictions imposed by the State Authority and / or Approving Authority and / or Relevant Authorities in respect of the Project Land.
- v. FASB shall not sub-lease or sub-divide or sell the Project or any part thereof to any other party.

- vi. AKSB shall at all times during the joint venture period allow FASB to exclusively use, occupy, operate and possess the Project Land as AKSB's contribution to FASB without any payment to AKSB.

## **6. EFFECTS OF THE JVA**

The execution of the JVA does not have any effect on the earnings per share, net assets per share, gearing, share capital and substantial shareholders' shareholdings of FBG for the financial year ending 30 June 2022.

## **7. APPROVAL REQUIRED**

No approval is required from the shareholders of FBG to enter into the JVA.

## **8. INTEREST OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND CONNECTED PERSONS**

Save for Dato' Lim Siew Mei, who is an Non-Independent Non-Executive Director in FBG and also a Director and shareholder of AKSB, none of the Directors and / or substantial shareholders of FBG and / or persons connected to them have any interest, direct or indirect in the JVA.

## **9. DOCUMENTS FOR INSPECTION**

The JVA is available for inspection at the registered office of the Company at No. 1 & 1A, 2<sup>nd</sup> Floor (Room 2), Jalan Ipoh Kecil, 50350 Kuala Lumpur during normal office hours from Mondays to Fridays (except for public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 29 March 2022.