

NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF JOHOR PLANTATIONS GROUP BERHAD (FORMERLY KNOWN AS JOHOR PLANTATIONS BERHAD) (“JPG” OR THE “COMPANY”) DATED 12 JUNE 2024 (“ELECTRONIC PROSPECTUS”)

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Electronic Prospectus shall apply throughout this notice)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Securities’ website at www.bursamalaysia.com (“**Website**”).

Availability and Location of Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, RHB Investment Bank, or the Issuing House. Alternatively, the applicant may obtain a copy of the Prospectus, subject to availability, from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association. Prospective applicants should note that the Application Form is not available in electronic format.

Jurisdictional Disclaimer

The IPO and the distribution of the Electronic Prospectus are subject to the laws of Malaysia. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, the Company, the Directors, the Promoters, the Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Managing Underwriter and the Joint Underwriters named in the Electronic Prospectus have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. The Electronic Prospectus may not be used for the purpose of and does not constitute an offer for the subscription or purchase of, or an invitation to subscribe for or purchase, the IPO Shares to any person outside Malaysia or in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves, and to observe such restrictions.

This document is not an offering of the IPO Shares in the United States or anywhere other than Malaysia. The IPO Shares may not be offered or sold in or into the United States unless under an exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act of 1933, as amended, and any applicable state securities laws. The Company does not intend to register any portion of the offering in the United States or to conduct a public offering of its securities in the United States or in any other jurisdiction where such an offering is restricted or prohibited.

Close of Application

Applications for the IPO Shares offered under the Retail Offering will open at 10.00 a.m. on 12 June 2024 and will close at 5.00 p.m. on 24 June 2024. Any change to the timetable will be advertised by JPG in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia, and will be announced on the Website.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the Website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained on the Website.

The contents of the Electronic Prospectus as provided by the Company to Bursa Securities are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.



JOHOR PLANTATIONS GROUP BERHAD

(Formerly known as Johor Plantations Berhad)
(Registration No. 197801001260 (38290-V))
(Incorporated in Malaysia)

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JOHOR PLANTATIONS GROUP BERHAD
(Formerly known as Johor Plantations Berhad)

PROSPECTUS



JOHOR PLANTATIONS GROUP BERHAD
(Formerly known as Johor Plantations Berhad)
(Registration No. 197801001260 (38290-V))
(Incorporated in Malaysia)

PROSPECTUS

INITIAL PUBLIC OFFERING (“IPO”) OF UP TO 875,000,000 ORDINARY SHARES (“IPO SHARES”) IN JOHOR PLANTATIONS GROUP BERHAD (FORMERLY KNOWN AS JOHOR PLANTATIONS BERHAD) (“JPG”) IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED SHARE CAPITAL OF JPG ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING AN OFFER FOR SALE OF UP TO 411,000,000 EXISTING ORDINARY SHARES IN JPG AND PUBLIC ISSUE OF 464,000,000 NEW ORDINARY SHARES IN JPG INVOLVING:

- (I) INSTITUTIONAL OFFERING OF UP TO 797,500,000 IPO SHARES TO MALAYSIAN AND FOREIGN INSTITUTIONAL AND SELECTED INVESTORS, INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY, AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING (“INSTITUTIONAL PRICE”); AND
- (II) RETAIL OFFERING OF 77,500,000 IPO SHARES TO THE ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF JPG AND ITS SUBSIDIARIES AND THE MALAYSIAN PUBLIC AT THE RETAIL PRICE OF RM0.84 PER IPO SHARE (“RETAIL PRICE”),

PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED IN THIS PROSPECTUS) IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE, SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS. THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF THE RETAIL PRICE AND THE INSTITUTIONAL PRICE

*Principal Adviser, Joint Global Coordinator,
Joint Bookrunner, Managing Underwriter and Joint Underwriter*



RHB Investment Bank Berhad
(Registration No. 197401002639 (19663-P))
(A Participating Organisation of Bursa Malaysia Securities Berhad)
Joint Global Coordinators, Joint Bookrunners and Joint Underwriters



AmInvestment Bank Berhad
(Registration No. 197501002220 (23742-V))
(A Participating Organisation of Bursa Malaysia Securities Berhad)
Joint Global Coordinator and Joint Bookrunner



CIMB Investment Bank Berhad
(Registration No. 197401001266 (18417-M))
(A Participating Organisation of Bursa Malaysia Securities Berhad)
Joint Bookrunner and Joint Underwriter



CLSA Singapore Pte Ltd
(Registration No. 198703750W)
CLSA Securities Malaysia Sdn Bhd
(Registration No. 200501013874 (690921-X))



Affin Hwang Investment Bank Berhad
(Registration No. 19730100792 (14389-U))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

THE SECURITIES COMMISSION MALAYSIA (“SC”) HAS APPROVED THE ISSUE, OFFER OR INVITATION FOR THE OFFERING UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

THIS PROSPECTUS HAS BEEN REGISTERED BY THE SC. THE APPROVAL AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 223.

LISTING SOUGHT: MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA

THIS PROSPECTUS IS DATED 12 JUNE 2024

All defined terms used in this Prospectus are defined under “Presentation of Information”, “Definitions” and “Glossary of Technical Terms” commencing on pages viii, xi and xxiii of this Prospectus, respectively.

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which, if omitted, would make any statement in this Prospectus false or misleading.

RHB Investment Bank, being the Principal Adviser, Joint Global Coordinator and Joint Bookrunner for the Institutional Offering, and the Managing Underwriter and Joint Underwriter for the Retail Offering in relation to our IPO, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO. It is also to be noted that:

- (i) the role of CLSA in our IPO is limited to being the Joint Global Coordinator and the Joint Bookrunner for the Institutional Offering both within Malaysia and outside of Malaysia;
- (ii) the role of AmInvestment Bank and CIMB IB in our IPO is limited to being the Joint Global Coordinators and Joint Bookrunners for the Institutional Offering; and
- (iii) the role of Affin Hwang IB in our IPO are limited to being the Joint Bookrunners for the Institutional Offering.

STATEMENTS OF DISCLAIMER

Our Company has obtained the approval of Bursa Securities for our Listing. Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

This Prospectus, together with the Application Form has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

OTHER STATEMENTS

Investors should note that you may seek recourse under Sections 248, 249 and 357 of the CMSA for breaches of securities laws, including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Our Shares listed on Bursa Securities are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMSA, is responsible.

Our Shares are classified as Shariah-compliant by the SAC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

You should not take the agreement by the Managing Underwriter and Joint Underwriters named in this Prospectus to underwrite our Shares under the Retail Offering as an indication of the merits of our Shares being offered.

This Prospectus has been prepared in the context of an IPO under the laws of Malaysia. It does not comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or by any regulatory authority of any jurisdiction other than Malaysia.

This Prospectus is published solely in connection with our IPO. Our Shares are being offered solely on the basis of the information contained and representations made in this Prospectus. Our Company, Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Managing Underwriter and the Joint Underwriters have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Managing Underwriter and the Joint Underwriters or any of their respective directors, or any other persons involved in our IPO.

The distribution of this Prospectus and our IPO are subject to the laws of Malaysia. This Prospectus will not be distributed outside Malaysia except insofar as it is part of the offering memorandum distributed to foreign institutional investors outside Malaysia in connection with our IPO. Our Company, Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Managing Underwriter and the Joint Underwriters have not authorised and take no responsibility for the distribution of this Prospectus outside Malaysia except insofar as it is part of the offering memorandum distributed to foreign institutional investors outside Malaysia in connection with our IPO. No action has been taken to permit any offering of our Shares based on this Prospectus in any jurisdiction other than Malaysia. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of our Shares under our IPO in certain other jurisdictions may be restricted by law. Prospective investors who may be in possession of this Prospectus are required to inform themselves and to observe such restrictions.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not be deemed to accept any liability whether or not any enquiry or investigation is made in connection to it.

It will be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subjected. We will further assume that you had accepted our IPO in Malaysia and will be subject to the laws of Malaysia in connection to it. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

It will be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our IPO or you are or might be subjected to. Neither we nor our Promoters, Selling Shareholder, the Principal Adviser, the Joint Global Coordinators, the Joint Bookrunners, the Managing Underwriter and the Joint Underwriters nor any other advisers in relation to our IPO will accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

Our Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), and may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act), unless pursuant to an exemption from, or a transaction not subject to, the registration requirements under the U.S. Securities Act. Our Shares are being offered and sold outside the United States in reliance upon Regulation S under the U.S. Securities Act.

Our Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of our IPO or confirmed the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

ELECTRONIC PROSPECTUS/INTERNET SHARE APPLICATION

This Prospectus can be viewed or downloaded from the website of Bursa Malaysia Berhad at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus registered with the SC are the same.

The internet is not a fully secure medium. Your Internet Share Application may be subject to risks of data transmission, computer security threats including viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions. These risks cannot be borne by the Internet Participating Financial Institutions. If you doubt the validity or integrity of the Electronic Prospectus, you should immediately request from us or the Issuing House, a paper/printed copy of this Prospectus. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC will prevail.

In relation to any reference in this Prospectus to third-party internet sites ("**Third-Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third-Party Internet Sites, you acknowledge and agree that:

- (i) we do not endorse and are not affiliated in any way to the Third-Party Internet Sites. Accordingly, we are not responsible for the availability of or the content or any data, file or other material provided on the Third-Party Internet Sites. You bear all risks associated with the access to or use of the Third-Party Internet Sites;
- (ii) we are not responsible for the quality of products or services in the Third-Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third-Party Internet Sites. We are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, file or other material provided by the Third-Party Internet Sites; and
- (iii) any data, information, file or other material downloaded from the Third-Party Internet Sites is done at your own discretion and risk. We are not responsible, liable or under obligations for any damage to your computer system or loss of data resulting from the downloading of any such data, information, file or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institution, you are advised that:

- (a) the Internet Participating Financial Institution is only liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus on the web server of the Internet Participating Financial Institution which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institution is not responsible for the integrity of the contents of the Electronic Prospectus which has been obtained from the web server of the Internet Participating Financial Institution and subsequently communicated or disseminated in any manner to you or other parties;
- (b) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secure medium; and
- (c) the Internet Participating Financial Institution is not liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third-party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institution, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The indicative timetable for our IPO is set out below:

Event	Tentative date
Opening of the Institutional Offering ⁽¹⁾	12 June 2024
Issuance of the Prospectus/Opening of the Retail Offering	10.00 a.m., 12 June 2024
Closing of the Retail Offering	5.00 p.m., 24 June 2024
Closing of the Institutional Offering	24 June 2024
Price Determination Date	24 June 2024
Balloting of applications for our IPO Shares under the Retail Offering	27 June 2024
Allotment/Transfer of our IPO Shares to successful applicants	4 July 2024
Listing	9 July 2024

Note:

- (1) Other than the Institutional Offering to the Cornerstone Investors. The Master Cornerstone Placement Agreement for the acquisition of our IPO Shares by the Cornerstone Investors was entered into on 27 May 2024.

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and make an announcement on the website of Bursa Malaysia Berhad.

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PRESENTATION OF INFORMATION

All references to “our Company” or “JPG” are to Johor Plantations Group Berhad (formerly known as Johor Plantations Berhad). All references to “JPG Group” or “our Group” are to our Company and our subsidiaries taken as a whole. All references to “we”, “us”, “our” and “ourselves” are to our Company and where the context otherwise requires, our Group.

All references to the “Selling Shareholder” are to Kulim and all references to the “Promoters” are to JCorp and Kulim.

All references to “you” are to our prospective investors.

All references to “Government” are to the Government of Malaysia; references to “Ringgit”, “Malaysian Ringgit”, “RM” and “sen” are to the lawful currency of Malaysia.

The word “approximately” used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest thousandth or 1 decimal place. Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding adjustments. Other abbreviations and acronyms used in this Prospectus are defined in the “Definitions” section and technical terms used in this Prospectus are defined in the “Glossary of Technical Terms” section. Words denoting the singular will, where applicable, include the plural and vice versa and words denoting the masculine gender will, where applicable, include the feminine and/or neuter genders and vice versa. References to persons will, where applicable, include companies and corporations.

Any reference to provisions of the statutes, rules, regulations, enactments or rules of the stock exchange shall (where the context admits), be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of the stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of the stock exchange for the time being in force.

Any reference to a date and time shall be a reference to a date and time in Malaysia, unless otherwise stated. All references to the LPD in this Prospectus are to 13 May 2024, which is the latest practicable date for certain information to be obtained and disclosed in this Prospectus prior to the registration of this Prospectus with the SC.

The information on our website or any website directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on that information for the purposes of your decision whether or not to invest in our Shares.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding the growth and performance of the industry in which we operate and our estimated market share in the industry in which we operate. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us or is extracted from the IMR Report as included in Section 8 of this Prospectus. We have appointed Glenauk Economics Sdn Bhd to provide an independent market and industry review. In compiling its data for the review, Glenauk Economics Sdn Bhd had relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry. The information on the industry contained in this Prospectus and other statistical data and projections cited in this Prospectus is intended to help prospective investors understand the major trends in the industry in which we operate.

Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot give any assurance that the projected figures will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

For the purpose of this Prospectus, EBITDA is calculated as our net profit for the financial year/period plus (i) income tax expense, (ii) zakat, (iii) finance costs, (iv) depreciation of property, plant and equipment, (v) depreciation of right-of-use assets and (vi) amortisation of intangible assets, less (vii) finance income.

PRESENTATION OF INFORMATION (CONT'D)

EBITDA and the related ratios presented in this Prospectus are supplemental measures of our performance and liquidity that are not required by or presented in accordance with the IFRS and MFRS. Furthermore, EBITDA is not a measure of our financial performance or liquidity under the IFRS and MFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with the IFRS or MFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardised term, and hence, a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure.

We believe that EBITDA may facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (including the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortisation of assets (affecting relative depreciation and amortisation expenses). EBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non-IFRS and non-MFRS financial measures when reporting their results. Finally, EBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, EBITDA has limitations as an analytical tool, and prospective investors should not consider it in isolation from or as a substitute for analysis of our financial condition or results of operations, as reported under the IFRS and MFRS. Due to these limitations, EBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies and prospects are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements, or industry results expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current view with respect to future events and do not guarantee future performance. Forward-looking statements can be identified by the use of forward-looking terminologies, including the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions, and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our products and general industry environment;
- (ii) our strategies and competitive position;
- (iii) potential growth opportunities; and
- (iv) regulatory environment and the effects of future regulation.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitation:

- (a) delays or problems with the execution of our expansion plans;
- (b) competitive environment of the industry in which we operate;
- (c) reliance on licences, permits and approvals;
- (d) general economic, business, social, political and investment environment in Malaysia and globally;
- (e) continued availability of capital and financing;
- (f) finance costs and interest income;
- (g) government policy, legislation or regulation; and
- (h) other factors beyond our control.

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 of this Prospectus on “Risk Factors” and Section 12.3 of this Prospectus on “Management’s Discussion and Analysis of Financial Condition and Results of Operations”. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD.

In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer of the IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6 - Supplementary and Replacement Prospectus) of the Prospectus Guidelines issued by the SC.

DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

COMPANIES WITHIN OUR GROUP

JPG or Company	: Johor Plantations Group Berhad (formerly known as Johor Plantations Berhad) (Registration No. 197801001260 (38290-V))
JPG Fuji	: JPG Fuji Sdn Bhd (formerly known as JPG Refinery Sdn Bhd) (Registration No. 202401004289 (1550139-V)), a 51%-owned subsidiary of our Company
JPG Greenergy	: JPG Greenergy Sdn Bhd (formerly known as Kulim Greenergy Sdn Bhd) (Registration No. 200501001805 (678851-X)), a wholly-owned subsidiary of our Company
JPG Greenergy Ventures	: JPG Greenergy Ventures Sdn Bhd (formerly known as Kulim Green Energy Ventures Sdn Bhd) (Registration No. 201301001148 (1030985-X)), a 55%-owned subsidiary of our Company
JPG Group or Group	: Collectively, our Company and our subsidiaries
JPG Jenterra	: JPG Jenterra Sdn Bhd (formerly known as Edaran Badang Sdn Bhd) (Registration No. 199201013369 (244872-V)), a wholly-owned subsidiary of our Company
JPG Plantations	: JPG Plantations Sdn Bhd (formerly known as Kulim Plantations (Malaysia) Sdn Bhd) (Registration No. 197501002012 (23777-M)), a wholly-owned subsidiary of our Company
JPG Planterra	: JPG Planterra Sdn Bhd (formerly known as Cultivation Sdn Bhd) (Registration No. 200901001806 (844733-P)), a wholly-owned subsidiary of our Company
JPG Terrasolutions	: JPG Terrasolutions Sdn Bhd (formerly known as Kulim Safety Training and Services Sdn Bhd) (Registration No. 201001012777 (897008-D)), a wholly-owned subsidiary of our Company

GENERAL

Act	: Companies Act 2016
ADA	: Authorised Depository Agent
Admission	: Admission of our Shares to the Official List
Affin Hwang IB	: Affin Hwang Investment Bank Berhad (Registration No. 197301000792 (14389-U))
AmInvestment Bank	: AmInvestment Bank Berhad (Registration No. 197501002220 (23742-V))
Application	: Application of our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Form	: Application form for the application of our IPO Shares under the Retail Offering accompanying this Prospectus
ASEAN	: Association of Southeast Asian Nations

DEFINITIONS (CONT'D)

ATM	:	Automated teller machine
Auditors or Reporting Accountants	:	KPMG PLT
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application in respect of the payment for our IPO Shares
Ayamas	:	Ayamas Integrated Poultry Industry Sdn Bhd (Registration No. 198801001677 (169034-T)), a wholly-owned subsidiary of QSR Brands (M) Holdings Bhd (Registration No. 201101011105 (939235-W)), which is a 56.0% joint-controlled entity of JCorp
Board	:	Board of Directors of our Company
Bumiputera	:	In the context of: <ul style="list-style-type: none"> (i) individuals, Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies, a company which fulfil, among others, the following criteria or such other criteria as may be imposed by the MITI: <ul style="list-style-type: none"> (a) registered under the Act as a private company; (b) its shareholders are 100.0% Bumiputera; and (c) its Board of Directors (including its staff) are at least 51.0% Bumiputera; and (iii) cooperatives, a cooperative whose shareholders or cooperative members are at least 95.0% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Capitalisation	:	Capitalisation of all the amount due to Kulim of RM172,636,978 via the issuance of 172,636,978 new Shares at RM1.00 each, which was completed on 6 December 2023
CCC	:	Certificate of Completion and Compliance
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CF	:	Certificate of Fitness for Occupation
CIMB IB	:	CIMB Investment Bank Berhad (Registration No. 197401001266 (18417-M))
CLSA	:	Collectively, CLSA Singapore Pte Ltd (Registration No. 198703750W) and CLSA Securities Malaysia Sdn Bhd (Registration No. 200501013874 (690921-X))

DEFINITIONS (CONT'D)

CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
Cornerstone Investors	:	Collectively, abrdn Islamic Malaysia Sdn Bhd, abrdn Malaysia Sdn Bhd, AHAM Asset Management Berhad, AIIMAN Asset Management Sdn Bhd, Areca Capital Sdn Bhd, Fortress Capital Asset Management (M) Sdn Bhd and Kumpulan Wang Persaraan (Diperbadankan)
COVID-19	:	Coronavirus disease 2019
Damansara Assets	:	Damansara Assets Sdn Bhd (Registration No. 199401015289 (300969-V)), a wholly-owned subsidiary of JCorp
Director	:	A member of our Board and has the meaning given in Section 2 of the Act
DOSH	:	Department of Occupational Safety and Health
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs or floppy disks
Electronic Share Application	:	Application for our IPO Shares made available to the Malaysian Public under the Retail Offering through a Participating Financial Institution's ATM
Eligible Persons	:	Collectively, the directors and employees of our Group, and persons who have contributed to the success of our Group, who are eligible to participate in the Retail Offering
EPA Management	:	EPA Management Sdn Bhd (Registration No. 197501001636 (23376-T)), a wholly-owned subsidiary of Kulim
EPS	:	Earnings per Share
EQA	:	Environmental Quality Act 1974
Equity Guidelines	:	Equity Guidelines issued by the SC
ESG	:	Environmental, social and governance
Farmbyte	:	Farmbyte Sdn Bhd (formerly known as Agro Edge Sdn Bhd) (Registration No. 202201031351 (1477048 -A)), a wholly-owned subsidiary of Kulim
Final Retail Price	:	Final price per IPO Share to be paid by the investors under the Retail Offering, being the lower of the Retail Price or Institutional Price, to be determined on the Price Determination Date in accordance with Section 4.3 of this Prospectus
Financial Years Under Review	:	Collectively, the FYE 2020, FYE 2021, FYE 2022 and FYE 2023
FMA	:	Factories and Machinery Act 1967
FSA	:	Fire Services Act 1988

DEFINITIONS (CONT'D)

FYE	:	Financial year ended/ending 31 December, as the case may be
Gas Malaysia Green Ventures	:	Gas Malaysia Green Ventures Sdn Bhd (formerly known as Gas Malaysia Virtual Pipeline Sdn Bhd) (Registration No. 201401038196 (1114344-D)), a wholly-owned subsidiary of Gas Malaysia Berhad
GP	:	Gross profit
Ha	:	Hectares
IFRS	:	International Financial Reporting Standards as issued by the International Accounting Standards Board
IMR Report	:	Independent market research report dated 23 May 2024 prepared by Glenauk Economics Sdn Bhd
Institutional Offering	:	Offering of up to 797,500,000 IPO Shares at the Institutional Price, subject to the clawback and reallocation provisions, to the following: <ul style="list-style-type: none"> (i) Malaysian institutional and selected investors, including Bumiputera investors approved by MITI; and (ii) foreign institutional and selected investors outside the United States in reliance on Regulation S
Institutional Price	:	Price per IPO Share to be paid by investors under the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Internet Participating Financial Institutions	:	Participating financial institutions for the Internet Share Application
Internet Share Application	:	Application for our IPO Shares under the Retail Offering through an Internet Participating Financial Institution
IPO	:	Initial public offering comprising the Public Issue and Offer for Sale, collectively
IPO Shares	:	Collectively, the Offer Shares and the Issue Shares
ISCC	:	International Sustainability and Carbon Certification
ISO	:	International Organization for Standardization
Issue Shares	:	New Shares to be issued by our Company pursuant to the Public Issue
Issuing House	:	Malaysian Issuing House Sdn Bhd (Registration No. 199301003608 (258345-X))
JCorp	:	Johor Corporation
JCorp Capital	:	JCorp Capital Solutions Sdn Bhd (Registration No. 198401017725 (130279-T)), a wholly-owned subsidiary of JCorp
JCorp Group	:	Collectively, JCorp and its group of companies
Johor Franchise Development	:	Johor Franchise Development Sdn Bhd (Registration No. 197301000134 (13547-K)), a wholly-owned subsidiary of JCorp

DEFINITIONS (CONT'D)

Johor Land	: Johor Land Berhad (Registration No. 197201000788 (12379-K)), a wholly-owned subsidiary of JCorp
Joint Bookrunners	: Collectively, Affin Hwang IB, AmInvestment Bank, CIMB IB, CLSA and RHB Investment Bank
Joint Global Coordinators	: Collectively, AmInvestment Bank, CIMB IB, CLSA and RHB Investment Bank
Joint Underwriters	: Collectively, Affin Hwang IB, AmInvestment Bank, CIMB IB and RHB Investment Bank
Key Senior Management	: Key senior management of our Group, namely Aziah Binti Ahmad, Mohamad Yami Bin Bakar, Amran Bin Zakaria and Wan Adlin Bin Wan Mahmood
kg	: Kilogram
KPJ	: KPJ Healthcare Berhad (Registration No. 199201015575 (247079-M)), a 35.9%-owned subsidiary of JCorp
Kulim	: Kulim (Malaysia) Berhad (Registration No. 197501001832 (23370-V)), a wholly-owned subsidiary of JCorp
Kumpulan Bertam	: Kumpulan Bertam Plantations Berhad (Registration No. 197401000594 (16833-T)), a wholly-owned subsidiary of Kulim
Listing	: Listing of and quotation for our entire enlarged issued share capital on the Main Market of Bursa Securities
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
LPD	: 13 May 2024, being the latest practicable date prior to the registration of this Prospectus with the SC
m³	: Cubic meter
MAINJ	: Majlis Agama Islam Negeri Johor
Malay Reserved Estates	: Collectively, Tunjuk Laut Estate, Pasir Logok Estate, Bukit Kelompok Estate and Bukit Payung Estate (merged administratively into Pasir Panjang Estate since 2021)
Malaysian Public	: Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia
Managing Underwriter	: RHB Investment Bank
Market Day	: Day on which Bursa Securities is open for securities trading
Master Cornerstone Placement Agreement	: Master cornerstone placement agreement dated 27 May 2024 between our Company, the Selling Shareholder, Joint Global Coordinators, Joint Bookrunners and Cornerstone Investors, under which the Cornerstone Investors agree to acquire an aggregate of 325,400,000 IPO Shares pursuant to the Institutional Offering
MCCG	: Malaysian Code on Corporate Governance

DEFINITIONS (CONT'D)

MCO	:	Movement control order implemented under the Prevention and Control of Infectious Diseases Act 1988 and Police Act 1967 as a preventive measure to curb the spread of COVID-19 in Malaysia
MFRS	:	Malaysian Financial Reporting Standards
MITI	:	Ministry of Investment, Trade and Industry of Malaysia
MPOB	:	Malaysian Palm Oil Board
MPOB Act	:	Malaysian Palm Oil Board Act 1998
MSPO	:	Malaysian Sustainable Palm Oil
MT	:	Metric tonne
NA	:	Net assets
NBV	:	Net book value
Offer for Sale	:	Offer for sale of up to 411,000,000 Offer Shares by the Selling Shareholder
Offer Shares	:	Existing Shares to be offered by the Selling Shareholder pursuant to the Offer for Sale
Official List	:	A list specifying all securities which have been admitted for listing on Bursa Securities
Optimum Status	:	Optimum Status Sdn Bhd (Registration No. 201001011716 (896377-P)), a wholly-owned subsidiary of Kulim and a former wholly-owned subsidiary of JPG Terrasolutions before the Pre-Listing Restructuring
OSHA	:	Occupational Safety and Health Act 1994
Participating Financial Institutions	:	Participating financial institutions for the Electronic Share Application
PAT	:	Profit after taxation and zakat
PBT	:	Profit before taxation and zakat
Pembangunan Mahamurni	:	Pembangunan Mahamurni Sdn Bhd (Registration No. 197901001951 (46228-D)), a wholly-owned subsidiary of Kulim and our former wholly-owned subsidiary before the Pre-Listing Restructuring
Pink Form Allocations	:	Allocation of 27,500,000 Issue Shares to the Eligible Persons
Placement Agreement	:	Placement agreement to be entered into by our Company, the Selling Shareholder and the Placement Managers in respect of such number of IPO Shares to be offered under the Institutional Offering
Placement Managers	:	Collectively, Affin Hwang IB, AmInvestment Bank, CIMB IB, CLSA and RHB Investment Bank
Pre-Listing Restructuring	:	Pre-listing restructuring exercise undertaken by our Company, details of which are set out in Section 6.1.4 of this Prospectus

DEFINITIONS (CONT'D)

Pre-Listing Restructuring Agreements	:	Business transfer agreements and share sale agreements entered into on 27 September 2022, 3 November 2022 and 30 November 2022 respectively to consolidate and streamline Kulim's plantation business under our Group pursuant to the Pre-Listing Restructuring, as set out and defined in Section 6.1.4 of this Prospectus
Price Determination Date	:	The date on which the Institutional Price and the Final Retail Price will be determined
Principal Adviser	:	RHB Investment Bank
Privatisation of Kulim	:	Privatisation of Kulim via a selective capital reduction and repayment exercise pursuant to Section 64 of the Companies Act 1965, which was completed on 4 August 2016
Promoters	:	Collectively, Kulim and JCorp
Proposed Sukuk Programme	:	Proposed establishment of a sukuk programme of up to RM3.0 billion after our Listing. The proceeds to be raised from the issuance of sukuk are intended to be used for our capital expenditure, working capital requirements, investments, general corporate purposes and/or refinancing of our Group's borrowings
Prospectus	:	This prospectus dated 12 June 2024 in relation to our IPO
Public Issue	:	Public issue of 464,000,000 Issue Shares by our Company
Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
Regulation S	:	Regulation S under the U.S. Securities Act
Renewal Tenancy Agreement	:	Renewal tenancy agreement dated 26 September 2023 entered into between JCorp (as landlord) and us (as tenant) for the renewal of the term of the Tenancy Agreement for an additional period of 3 years, effective from 1 July 2023 to 30 June 2026
Retail Offering	:	Offering of 77,500,000 Issue Shares at the Retail Price, subject to the clawback and reallocation provisions, to be allocated to the following: <ul style="list-style-type: none"> (i) 50,000,000 Issue Shares for application by the Malaysian Public, via balloting; and (ii) 27,500,000 Issue Shares reserved for application by the Eligible Persons
Retail Price	:	Initial price of RM0.84 per IPO Share to be fully paid upon application under the Retail Offering, subject to adjustment as detailed in Section 4.3.1 of this Prospectus
Retail Underwriting Agreement	:	Retail underwriting agreement dated 24 May 2024 entered into between our Company, the Managing Underwriter and the Joint Underwriters for the underwriting of our IPO Shares under the Retail Offering, upon the terms and subject to the conditions contained therein
RHB Investment Bank	:	RHB Investment Bank Berhad (Registration No. 197401002639 (19663-P))
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia

DEFINITIONS (CONT'D)

RC-i Facility	:	Revolving Credit-i facility under the Shariah concept of Commodity Murabahah of up to RM0.2 billion from CIMB Islamic Bank Berhad
RSPO	:	Roundtable on Sustainable Palm Oil, an international organisation that promotes sustainable practices in the palm oil industry. It was established in 2004 to address the environmental and social concerns associated with palm oil production. The RSPO develops and implements a certification scheme that sets standards for sustainable palm oil production, focusing on areas such as environmental conservation, human rights, and responsible sourcing
Rules of Bursa Depository	:	Rules of Bursa Depository as issued under the SICDA
SAC	:	Shariah Advisory Council of the SC
SC	:	Securities Commission Malaysia
SDBA	:	Street, Drainage and Building Act 1974
Second Supplemental Agreement	:	Second supplemental agreement to the Tenancy Agreement dated 1 March 2024 entered into between JCorp (as landlord) and us (as tenant) to further amend the terms of the Tenancy Agreement, by stipulating the termination event of the tenancy in respect of the Malay Reserved Estates and providing certainty on the tenancy term following its expiry on 30 June 2026, subject to the terms contained therein
Selai	:	Selai Sdn Bhd (Registration No. 197901009211 (53496-K)), a wholly-owned subsidiary of Kulim
Selling Shareholder	:	Kulim, being the party undertaking the Offer for Sale
Shareholders' Agreement	:	Shareholders' agreement dated 25 January 2024 (as varied by an amendment to shareholders' agreement dated 13 March 2024) entered into between JPG and Fuji Oil Asia Pte Ltd to regulate the rights and obligations of the parties as shareholders of JPG Fuji and to govern the operations and management of JPG Fuji pursuant to our venture into the downstream plantation business
Share Registrar	:	Larkin Sentral Property Berhad (Registration No. 199501022838 (352041-A))
Share Split	:	Split of existing Shares into 2,036,000,000 Shares, which was completed on 24 April 2024
Shares	:	Ordinary shares in our Company
SICDA	:	Securities Industry (Central Depositories) Act 1991
Sindora	:	Sindora Berhad (Registration No. 197201001738 (13418-K)), a wholly-owned subsidiary of Kulim
SIRIM	:	Standard and Industrial Research Institute of Malaysia
STF-i Facility	:	Syndicated Term Financing-i facility under the Shariah concept of Commodity Murabahah of up to RM1.5 billion from CIMB Islamic Bank Berhad, RHB Islamic Bank Berhad and Bank Islam Malaysia Berhad

DEFINITIONS (CONT'D)

Substantial Shareholders	: Collectively, Kulim and JCorp
Tenancy Agreement	: Tenancy agreement dated 23 February 2021 (as varied by a supplemental agreement dated 27 July 2022 and the Second Supplemental Agreement) entered into between JCorp (as landlord) and us (as tenant) for the rental of the Malay Reserved Estates for a principal term of 3 years, commencing from 1 July 2020 to 30 June 2023, which has subsequently been renewed for another 3-year period until 30 June 2026, with an express right to renew the tenancy for further consecutive 3-year periods so long as the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate continues to be in operation and there is no existing breach or non-observance of any of the covenants and provisions on our part contained in the Tenancy Agreement
TF-i Facility	: Term Financing-i facility under the Shariah concept of Commodity Murabahah of up to RM0.5 billion from CIMB Islamic Bank Berhad
UMAC	: United Malayan Agricultural Corp Berhad (Registration No. 196501000578 (6367-X)), a wholly-owned subsidiary of Pembangunan Mahamurni
U.S. or United States	: United States of America, the states of the United States and the District of Columbia, and its territories and possessions
U.S. Securities Act	: United States Securities Act of 1933, as amended
UTMC	: Ulu Tiram Manufacturing Company (Malaysia) Sdn Bhd (Registration No. 197501002948 (24271-X)), a wholly-owned subsidiary of Kulim

LIST OF PLANTATION ESTATES

PLANTATION ESTATES OWNED BY US

- Basir Ismail Estate** : Oil palm plantation estate owned by JPG comprising 29 titles in Mukim of Sungai Tiram, District of Johor Bahru, State of Johor with a land area measuring approximately 3,204.1 Ha
- Bukit Layang Estate** : Oil palm plantation estate owned by JPG comprising 12 titles in Mukim of Sungai Tiram, District of Johor Bahru, State of Johor with a land area measuring approximately 397.8 Ha
- Labis Bahru Estate** : Oil palm plantation estate owned by JPG comprising 20 titles in Mukim of Pogoh, District of Segamat, State of Johor with a land area measuring approximately 2,108.4 Ha
- Mungka Estate** : Oil palm plantation estate owned by JPG comprising 2 titles (inclusive of 1 title shared with Palong Estate) in Mukim of Buloh Kasap, District of Segamat, State of Johor with a land area measuring approximately 1,928.0 Ha
- Mutiara Estate** : Oil palm plantation estate owned by JPG comprising 9 titles in Mukim of Kahang, District of Kluang, State of Johor with a land area measuring approximately 3,785.2 Ha
- Palong Estate** : Oil palm plantation estate owned by JPG comprising 3 titles (inclusive of 1 title shared with Mungka Estate) in Mukim of Buloh Kasap, District of Segamat, State of Johor with a land area measuring approximately 3,701.9 Ha
- Pasir Panjang Estate** (Partially rented) : Oil palm plantation estate owned and partially rented by JPG comprising 3 titles in Mukim of Kambau and Mukim of Ulu Sungei Sedeli Besar, District of Kota Tinggi, State of Johor with a land area measuring approximately 3,917.5 Ha, of which approximately 2,307.6 Ha (previously known as Bukit Payung Estate) is rented by JPG from JCorp
- REM Estate** (Partially rented) : Oil palm plantation estate owned and partially rented by JPG comprising 26 titles in Mukim of Kota Tinggi, Mukim of Tebrau and Mukim of Sungai Tiram, District of Kota Tinggi, State of Johor with a land area measuring approximately 2,595.5 Ha, of which approximately 228.9 Ha is rented by JPG from Johor Land and approximately 175.0 Ha is rented from Kulim
- Rengam Estate** : Oil palm plantation estate owned by JPG comprising 2 titles in Mukim of Rengam, District of Kluang, State of Johor with a land area measuring approximately 2,418.2 Ha
- Sedenak Estate** : Oil palm plantation estate owned by JPG comprising 10 titles in Mukim of Sedenak and Mukim of Bukit Batu, District of Kulai, State of Johor with a land area measuring approximately 2,807.8 Ha
- Selai Estate** : Oil palm plantation estate owned by JPG comprising 2 titles in Mukim of Kahang and Mukim of Paloh, District of Kluang, State of Johor with a land area measuring approximately 3,535.3 Ha
- Sepang Loi Estate** : Oil palm plantation estate owned by JPG comprising 42 titles in Mukim of Sermin, District of Segamat, State of Johor with a land area measuring approximately 970.2 Ha

LIST OF PLANTATION ESTATES (CONT'D)**PLANTATION ESTATES OWNED BY US (CONT'D)**

- Siang Estate** : Oil palm plantation estate owned by JPG comprising 2 titles in Mukim of Pantai Timur, District of Kota Tinggi, State of Johor with a land area measuring approximately 3,434.0 Ha
- Sindora Estate** : Oil palm plantation estate owned by JPG comprising 4 titles in Mukim of Rengam, District of Kluang, State of Johor with a land area measuring approximately 3,919.1 Ha
- Sungai Papan Estate** : Oil palm plantation estate owned by JPG comprising 17 titles in Mukim of Tanjung Surat, District of Kota Tinggi, State of Johor with a land area measuring approximately 2,995.9 Ha
- Sungai Tawing Estate** : Oil palm plantation estate owned by JPG comprising 1 title in Mukim of Paloh, District of Kluang, State of Johor with a land area measuring approximately 2,225.8 Ha
- Tereh Selatan Estate** : Oil palm plantation estate owned by JPG Plantations comprising 4 titles (inclusive of 2 titles shared with Tereh Utara Estate) in Mukim of Paloh and Mukim of Niyor, District of Kluang, State of Johor with a land area measuring approximately 2,707.2 Ha
- Tereh Utara Estate** : Oil palm plantation estate owned by JPG Plantations comprising 7 titles (inclusive of 2 titles shared with Tereh Selatan Estate) in Mukim of Paloh and Mukim of Niyor, District of Kluang, State of Johor with a land area measuring approximately 3,087.4 Ha
- UMAC Estate** : Oil palm plantation estate owned by JPG comprising 10 titles in Mukim of Keratong, District of Rompin, State of Pahang with a land area measuring approximately 1,624.8 Ha

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LIST OF PLANTATION ESTATES (CONT'D)**PLANTATION ESTATES RENTED BY US**

- Bukit Kelompok Estate** : Oil palm plantation estate (Malay reserve land status) rented by JPG from JCorp comprising 1 title (being part of the 1 title shared with Pasir Logok Estate) in Mukim of Kambau, District of Kota Tinggi, State of Johor with a land area measuring approximately 2,257.0 Ha
- Bukit Payung Estate** (Rented and merged administratively into Pasir Panjang Estate) : Oil palm plantation estate (Malay reserve land status) rented by JPG from JCorp comprising 2 titles in Mukim of Ulu Sungei Sedeli Besar, District of Kota Tinggi, State of Johor with a land area measuring approximately 2,307.6 Ha, which has been merged administratively into Pasir Panjang Estate since 2021. This estate has been excluded from the total number of estates rented by our Group
- Kuala Kabong Estate** : Oil palm plantation estate rented by JPG from JCorp comprising 1 title in Mukim of Bukit Batu, District of Kulai, State of Johor with a land area measuring approximately 1,511.5 Ha
- Pasir Logok Estate** : Oil palm plantation estate (Malay reserve land status) rented by JPG from JCorp comprising 3 titles (inclusive of 1 title shared with Bukit Kelompok Estate) in Mukim of Kambau, District of Kota Tinggi, State of Johor with a land area measuring approximately 1,780.5 Ha
- Tunjuk Laut Estate** : Oil palm plantation estate (Malay reserve land status) rented by JPG from JCorp comprising 2 titles in Mukim of Kambau, District of Kota Tinggi, State of Johor with a land area measuring approximately 2,867.8 Ha

PLANTATION ESTATES MANAGED BY US

- Air Manis Estate** : Oil palm plantation estate managed by JPG for Southern Catalyst Sdn Bhd comprising 5 titles in Mukim of Sedenak, District of Kulai, State of Johor with a land area measuring approximately 817.7 Ha
- Asam Bubok Estate** : Oil palm plantation estate managed by JPG for Asam Bubok Sdn Bhd comprising 5 titles in Mukim of Tanjung Sembrong, District of Batu Pahat, State of Johor with a land area measuring approximately 651.5 Ha
- MAINJ Estate** : Oil palm plantation estate managed by JPG for MAINJ comprising 2 titles in Mukim of Mersing and Mukim of Tenggara, District of Mersing, State of Johor with a land area measuring approximately 79.6 Ha

GLOSSARY OF TECHNICAL TERMS

The following technical terms in this Prospectus bear the same meanings as set out below unless the technical term is defined otherwise or the context requires otherwise:

- 3MCPD** : 3-monochloropropane-1, 2-diol, a common contaminant formed in heat-processed fat-containing foods from glycerol or acyl glycerides in the presence of chloride ion
- AVROS** : *Algemeene Vereniging van Rubberplanters ter Oostkust van Sumatra*, a Dutch agricultural research station organisation based near Medan, Sumatra. The DxP progenies of AVROS gave high bunch oil content obtained from more fruit and/or bunch
- Bio-CNG** : Bio-compressed natural gas is a compressed version of biomethane, a renewable fuel obtained by purifying biogas, produced from organic waste materials through anaerobic digestion and purification which can be used as a lower carbon footprint alternative to fossil fuels in transportation and power generation
- Biomethane** : A renewable natural gas derived from POME through anaerobic digestion and purification which serves as a sustainable alternative for power, heating, and transportation fuel
- Callus** : A group of cells derived from competent source tissue that is cultured under in vitro conditions to form an undifferentiated mass of cells
- CPKO** : Crude palm kernel oil, extracted from the kernel (nut) of the oil palm fruit
- CPO** : Crude palm oil, a vegetable oil produced from the fleshy mesocarp of the fruit of the oil palm
- Dura** : A variety of oil palm that has a large nut with a thick shell and thin mesocarp
- DxP** : A hybrid variety of oil palm from the cross between dura and pisifera palm
- Embryoids** : A mass of plant tissue that resembles an embryo and are formed in vitro
- EFB** : Empty fruit bunches, the leftover fibrous material after the extraction of oil palm fruits from the FFB
- Explant** : A fragment of plant tissue obtained from any part of the plant and used as starting material to grow a plant in tissue culture
- FFB** : Fresh fruit bunch, the bunches of fruits harvested from the oil palm tree
- High carbon stock** : A conservation approach that distinguishes forests areas for protection from degraded lands with low carbon and biodiversity values that may be developed. It aims to balance ecological and environmental values with customary rights or indigenous people and benefits to local communities
- High conservation value** : A biological, ecological, social or cultural value which is considered to be of outstanding significance or critical importance at the national, regional or global scale, and needs to be protected. High conservation value areas represent areas within or nearby plantations that hold significant environmental or social value that should be preserved to promote sustainable palm oil production
- K-Plant** : Kulim Plantation Management System, an integrated system that records important data such as daily workers' attendance, bunch count and loose fruit collected

GLOSSARY OF TECHNICAL TERMS (CONT'D)

Kernel extraction rate	:	The weight of PK extracted relative to the weight of FFB expressed as a percentage
KT clonal	:	A type of clonal palm that we have developed in-house
Greenhouse gases	:	Atmospheric gases such as carbon dioxide, methane, and nitrous oxide that trap heat, contributing to the greenhouse effect and climate change
Mesocarp fibre	:	A natural fibre extracted from the mesocarp tissue or fruit husk of the oil palm fruit. It is a renewable and sustainable material with various industrial uses due to its durability and absorbency
Mineral oil aromatic hydrocarbons	:	A type of mineral oil hydrocarbons that comprise a wide range of chemical compounds obtained from petroleum distillation and refining
Minimum ripeness standard	:	A guideline indicating the maturity level at which oil palm fruits should be harvested to ensure optimal oil yield and quality
Oil extraction rate	:	The weight of CPO extracted relative to the weight of FFB processed by the POM expressed as a percentage of total FFB, with higher rates indicating more efficient processing and better harvesting standards
OPGL	:	Oil Palm Genetic Laboratory, a type of laboratory focused on researching and analysing the genetics of oil palms to enhance the yield, disease resistance and other desirable characteristics
Ortet	:	The original single parent plant from which the members of a clone have descended
Palm product yield	:	The output or production yield of products derived from the oil palm which may refer to the yield of CPO, PK or other by-products. Palm product yield is arrived at based on the sum of oil extraction rate and kernel extraction rate generated for every Ha of land planted with matured oil palms
PFOE plant	:	Palm-fibre oil extraction plant, a plant designed and equipped to extract oil from mesocarp fibre from the processed FFB to produce red palm oil
Pisifera	:	A variety of female-sterile oil palm that has no shell
PK	:	Palm kernel, the seed of the oil palm fruit, which is processed to produce PK oil
POM	:	Palm oil mill, a facility where FFB are processed into CPO, PK and by-products such as PK shell, sludge oil and mesocarp fibre
POME	:	Palm oil mill effluent, a wastewater by-product generated from the milling of FFB into CPO
Ramet	:	An individual of a clone
Yield per Ha	:	Oil palm fruit yield per Ha of plantation, which is an indicator of the efficiency and profitability of oil palm cultivation

1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name / (Designation)	Address	Nationality / Gender
Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar (Non-Independent Non-Executive Chairman)	16, Lorong Wangsa Melawati 6A1 Damaisari, Wangsa Melawati 53300 Kuala Lumpur Malaysia	Malaysian / Male
Mohd Faris Adli Bin Shukery (Non-Independent Managing Director)	24, Jalan Damai Jasa 3 Alam Damai, Cheras 56000 Kuala Lumpur Malaysia	Malaysian / Male
Dato' Sr. Hisham Bin Jafrey (Non-Independent Non-Executive Director)	224A, Jalan Negara 2 Taman Melawati 53100 Kuala Lumpur Malaysia	Malaysian / Male
Shamsul Anuar Bin Abdul Majid (Non-Independent Non-Executive Director)	H-3A-03 Seri Maya Condominium Jalan Jelatek 54200 Kuala Lumpur Malaysia	Malaysian / Male
Abdullah Bin Abu Samah (Independent Non-Executive Director)	H-05-03, Seri Maya Condominium Jalan Jelatek 54200 Kuala Lumpur Malaysia	Malaysian / Male
Fawzi Bin Ahmad (Independent Non-Executive Director)	12, Jalan Austin Perdana 2/7 Taman Austin Perdana 81100 Johor Bahru Johor, Malaysia	Malaysian / Male
Mohd Fazillah Bin Kamaruddin (Independent Non-Executive Director)	38, Lorong Burhanuddin Helmi 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Malaysia	Malaysian / Male
Vinie Chong Pui Ling (Independent Non-Executive Director)	12, Jalan GR3/1 Jacaranda Garden Residence 63000 Cyberjaya Selangor, Malaysia	Malaysian / Female
Ong Li Lee (Independent Non-Executive Director)	C3-02-1, Pantai Hillpark Phase 1 Jalan Pantai Dalam 59200 Kuala Lumpur Malaysia	Malaysian / Female
Norita Binti Ja'afar (Independent Non-Executive Director)	41, Jalan PJU3/18H Tropicana Indah Resort Homes 47410 Petaling Jaya Selangor, Malaysia	Malaysian / Female

1. CORPORATE DIRECTORY (CONT'D)**BOARD COMMITTEES**

Name	Designation	Directorship
Board Audit Committee		
Abdullah Bin Abu Samah	Chairman	Independent Non-Executive Director
Ong Li Lee	Member	Independent Non-Executive Director
Vinie Chong Pui Ling	Member	Independent Non-Executive Director
Board Risk Committee		
Dato' Sr. Hisham Bin Jafrey	Chairman	Non-Independent Non-Executive Director
Vinie Chong Pui Ling	Member	Independent Non-Executive Director
Fawzi Bin Ahmad	Member	Independent Non-Executive Director
Board Nomination and Remuneration Committee		
Ong Li Lee	Chairman	Independent Non-Executive Director
Shamsul Anuar Bin Abdul Majid	Member	Non-Independent Non-Executive Director
Mohd Fazillah Bin Kamaruddin	Member	Independent Non-Executive Director
Board Sustainability Committee		
Fawzi Bin Ahmad	Chairman	Independent Non-Executive Director
Norita Binti Ja'afar	Member	Independent Non-Executive Director
Dato' Sr. Hisham Bin Jafrey	Member	Non-Independent Non-Executive Director
Board Tender Committee		
Shamsul Anuar Bin Abdul Majid	Chairman	Non-Independent Non-Executive Director
Norita Binti Ja'afar	Member	Independent Non-Executive Director
Mohd Fazillah Bin Kamaruddin	Member	Independent Non-Executive Director

COMPANY SECRETARIES	: Sabarudin Bin Harun Level 11, Menara KOMTAR Johor Bahru City Centre 80000 Johor Bahru Johor, Malaysia	CCM Practising Certificate No. : 202008000981
		Professional qualification : Member of the Malaysian Institute of Accountants (Membership no. 30423)
	Afiq Izat Bin Jusoh Level 11, Menara KOMTAR Johor Bahru City Centre 80000 Johor Bahru Johor, Malaysia	CCM Practising Certificate No. : 202008000743
		Qualification : Licensed secretary by CCM (Licence no. LS0010354)
REGISTERED OFFICE	: Level 11, Menara KOMTAR Johor Bahru City Centre 80000 Johor Bahru Johor, Malaysia	
	Telephone no. : +607 363 2000	
HEAD OFFICE	: Level 11, Menara KOMTAR Johor Bahru City Centre 80000 Johor Bahru Johor, Malaysia	
	Telephone no. : +607 363 2000	
	Website : johorplantations.com	
	E-mail : enquiries@johorplantations.com	

1. CORPORATE DIRECTORY (CONT'D)

PRINCIPAL ADVISER AND MANAGING UNDERWRITER : **RHB Investment Bank Berhad**
Level 10, Tower One, RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Malaysia

Telephone no. : +603 9287 3888

JOINT GLOBAL COORDINATORS : **AmInvestment Bank Berhad**
Level 22, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia

Telephone no. : +603 2036 2633

CIMB Investment Bank Berhad
13th Floor, Menara CIMB
No.1, Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur
Malaysia

Telephone no. : +603 2261 8888

CLSA Securities Malaysia Sdn Bhd
Suite 20-01, Level 20
Menara Dion
27 Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

Telephone no. : +603 2056 7888

CLSA Singapore Pte Ltd
80, Raffles Place
#18-01 UOB Plaza 1
Singapore 048624

Telephone no. : +65 6416 7888

RHB Investment Bank Berhad
Level 10, Tower One, RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Malaysia

Telephone no. : +603 9287 3888

JOINT BOOKRUNNERS : **Affin Hwang Investment Bank Berhad**
Level 19, Menara Affin
Lingkaran TRX, Tun Razak Exchange
55188 Kuala Lumpur
Malaysia

Telephone no. : +603 2302 1000

AmInvestment Bank Berhad
Level 22, Bangunan AmBank Group
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur
Malaysia

Telephone no. : +603 2036 2633

CIMB Investment Bank Berhad
13th Floor, Menara CIMB
No.1, Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur
Malaysia

Telephone no. : +603 2261 8888

CLSA Securities Malaysia Sdn Bhd
Suite 20-01, Level 20
Menara Dion
27 Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

Telephone no. : +603 2056 7888

1. CORPORATE DIRECTORY (CONT'D)

JOINT BOOKRUNNERS (CONT'D)	<p>CLSA Singapore Pte Ltd 80, Raffles Place #18-01 UOB Plaza 1 Singapore 048624</p> <p>Telephone no. : +65 6416 7888</p>	<p>RHB Investment Bank Berhad Level 10, Tower One, RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia</p> <p>Telephone no. : +603 9287 3888</p>
JOINT UNDERWRITERS	<p>Affin Hwang Investment Bank Berhad Level 19, Menara Affin Lingkar TRX, Tun Razak Exchange 55188 Kuala Lumpur Malaysia</p> <p>Telephone no. : +603 2302 1000</p> <p>CIMB Investment Bank Berhad 13th Floor, Menara CIMB No.1, Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia</p> <p>Telephone no. : +603 2261 8888</p>	<p>AmInvestment Bank Berhad Level 22, Bangunan AmBank Group No. 55, Jalan Raja Chulan 50200 Kuala Lumpur Malaysia</p> <p>Telephone no. : +603 2036 2633</p> <p>RHB Investment Bank Berhad Level 10, Tower One, RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia</p> <p>Telephone no. : +603 9287 3888</p>
AUDITORS AND REPORTING ACCOUNTANTS	<p>KPMG PLT (LLP0010081-LCA & AF0758) 10th Floor, KPMG Tower No. 8, First Avenue, Bandar Utama 47800 Petaling Jaya Selangor, Malaysia</p> <p>Telephone no. : +603 7721 3388 Partner : Muhammad Azman Bin Che Ani Professional qualification : Member of the Malaysian Institute of Accountants (Membership no. CA 22858)</p>	
LEGAL ADVISERS	<p><i>To our Company as to Malaysian law</i></p> <p>Mah-Kamariyah & Philip Koh 3A07, Block B, Phileo Damansara II 15, Jalan 16/11, Off Jalan Damansara 46350 Petaling Jaya Selangor, Malaysia</p> <p>Telephone no. : +603 7956 8686</p> <p><i>To the Joint Global Coordinators, Joint Bookrunners, Managing Underwriter and Joint Underwriters as to Malaysian law</i></p> <p>Christopher & Lee Ong Level 22, Axiata Tower No. 9, Jalan Stesen Sentral 5 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia</p> <p>Telephone no. : +603 2273 1919</p>	<p><i>To our Company as to United States federal securities law and English law</i></p> <p>Latham & Watkins LLP 9 Raffles Place #42-02 Republic Plaza Singapore 048619</p> <p>Telephone no. : +65 6536 1161</p> <p><i>To the Joint Global Coordinators and Joint Bookrunners as to United States federal securities law and English law</i></p> <p>Linklaters Singapore Pte Ltd One George Street #17-01 Singapore 049145</p> <p>Telephone no. : +65 6692 5700</p>

1. CORPORATE DIRECTORY (CONT'D)

- INDEPENDENT MARKET RESEARCHER** : **Glenauk Economics Sdn Bhd**
 10, Lorong Bukit Pantai 5
 Bangsar
 59100 Kuala Lumpur
 Malaysia
- Telephone no. : +6011 1676 1351
 Person-in-charge : Dr. Julian Conway McGill
 Professional : DPhil from University of Oxford, United Kingdom
 qualification
- Please refer to Section 8 of this Prospectus for the expert's professional experience
- SHARE REGISTRAR** : **Larkin Sentral Property Berhad**
 Lot S8, Podium 1, Menara Ansar
 65, Jalan Trus
 80000 Johor Bahru
 Johor, Malaysia
- Telephone no. : +607 297 2519
- ISSUING HOUSE** : **Malaysian Issuing House Sdn Bhd**
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13
 46200 Petaling Jaya
 Selangor, Malaysia
- Telephone no. : +603 7890 4700
- LISTING SOUGHT** : Main Market of Bursa Securities
- SHARIAH STATUS** : Approved by the SAC

2. INTRODUCTION

2.1 APPROVALS AND CONDITIONS

2.1.1 SC

The SC has, via its letter dated 4 December 2023, approved the relief sought from complying with a requirement of the Equity Guidelines as follows:

Relief sought	Condition imposed
Paragraphs 2(a) and (b) of Appendix 4, Part IV	-

Relief from having to comply with the requirement in respect of placement of our IPO Shares to be offered under the Institutional Offering to persons connected to the placement agents.

The SC has, via its letter dated 27 March 2024, approved our IPO and Listing under Section 214(1) of the CMSA, subject to the following condition:

Condition imposed	Status of compliance
RHB Investment Bank and JPG to fully comply with the requirements of the SC's Equity Guidelines and Prospectus Guidelines pertaining to the implementation of our Listing	To be complied

The SC has, via the same letter dated 27 March 2024, approved the resultant equity structure of our Company pursuant to our Listing under the Bumiputera equity requirement for public listed companies. The effects of our Listing on the equity structure of our Company are as follows:

Category of shareholders	As at the LPD		After our IPO	
	No. of Shares (million)	%	No. of Shares (million)	%
Bumiputera				
- Malaysian Public via balloting	-	-	⁽¹⁾ 25.0	1.0
- Bumiputera investors to be approved by the MITI	-	-	⁽¹⁾ 312.5	12.5
- Others	-	-	⁽²⁾ 23.7	0.9
	-	-	361.2	14.4
Non-Bumiputera	2,036.0	100.0	2,138.8	85.6
	2,036.0	100.0	2,500.0	100.0
Foreigner	-	-	-	-
Total	2,036.0	100.0	2,500.0	100.0

Notes:

- (1) Assuming all the Shares allocated to Bumiputera investors approved by the MITI under the Institutional Offering as well as to Bumiputera public investors (via balloting) under the Retail Offering are fully subscribed.
- (2) Assuming full subscription of our IPO Shares reserved for the Eligible Persons (including our Directors and Key Senior Management) who are Bumiputera under the Pink Form Allocations.

2. INTRODUCTION (CONT'D)

2.1.2 Bursa Securities

Bursa Securities has, via its letter dated 18 April 2024, approved the admission of JPG to the Official List and our Listing, subject to the following conditions:

Condition imposed	Status of compliance
Make the relevant announcements pursuant to Paragraphs 8.1 and 8.2 of Practice Note 21 of the Listing Requirements.	To be complied
To furnish Bursa Securities on the first day of listing a copy of the schedule of distribution showing compliance with the public security holding spread requirements based on the entire issued share capital of JPG	To be complied

2.1.3 MITI

MITI has, via its letter dated 9 January 2024, stated that it has taken note and has no objection to our Listing.

2.1.4 SAC

The SAC has, via its letter dated 24 April 2024, classified our Shares as Shariah-compliant securities based on our latest audited consolidated financial information for the FYE 2023.

2.2 MORATORIUM ON OUR SHARES

In accordance with the Equity Guidelines, a total of 1,625,000,000 Shares held by Kulim, representing 65.0% equity interest in our Company after our IPO, are subject to moratorium for 6 months from the date of our Listing.

In addition, the following direct and indirect shareholders of Kulim will also provide the following moratorium for a period of 6 months from the date of our Listing:

- (i) JCorp, being the direct shareholder of 96.3% equity interest in Kulim, has undertaken not to sell, transfer or assign any of its shareholding in Kulim;
- (ii) JCorp Capital, being the direct shareholder of 3.7% equity interest in Kulim, has undertaken not to sell, transfer or assign any of its shareholding in Kulim; and
- (iii) JCorp, being the sole shareholder of JCorp Capital, has also undertaken not to sell, transfer or assign any of its shareholding in JCorp Capital.

The moratorium, which has been fully accepted by Kulim, is specifically endorsed on the share certificates representing its shareholdings which are under moratorium to ensure that our Share Registrar does not register any transfer that is not in compliance with the moratorium restrictions. In compliance with the restrictions, Bursa Depository will, on our Share Registrar's instructions in the prescribed forms, ensure that the trading of these Shares is not permitted during the moratorium period.

3. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding whether to invest in our Shares.

3.1 PRINCIPAL DETAILS OF OUR IPO

(i) Institutional Offering

The Institutional Offering involves the offering of up to 797,500,000 IPO Shares, representing 31.9% of our enlarged number of issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus, at the Institutional Price to be allocated in the following manner:

- (a) 312,500,000 IPO Shares, representing 12.5% of our enlarged number of issued Shares to Bumiputera investors approved by the MITI; and
- (b) up to 485,000,000 IPO Shares, representing 19.4% of our enlarged number of issued Shares to the following persons:
 - Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI); and
 - foreign institutional and selected investors outside the United States in reliance on Regulation S.

(ii) Retail Offering

The Retail Offering involves the offering of 77,500,000 IPO Shares, representing 3.1% of our enlarged number of issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus, at the Retail Price to be allocated in the following manner:

- (a) 50,000,000 IPO Shares, representing 2.0% of our enlarged number of issued Shares, will be made available for application by the Malaysian Public by way of balloting, of which 25,000,000 IPO Shares will be set aside for Bumiputera investors; and
- (b) 27,500,000 IPO Shares (being Pink Form Allocations), representing 1.1% of our enlarged number of issued Shares, will be reserved for application by the Eligible Persons.

(iii) Expected market capitalisation

Based on the Retail Price of RM0.84 and enlarged number of 2,500,000,000 Shares after our IPO, our total market capitalisation upon our Listing would be RM2.1 billion.

(iv) Moratorium on our Shares

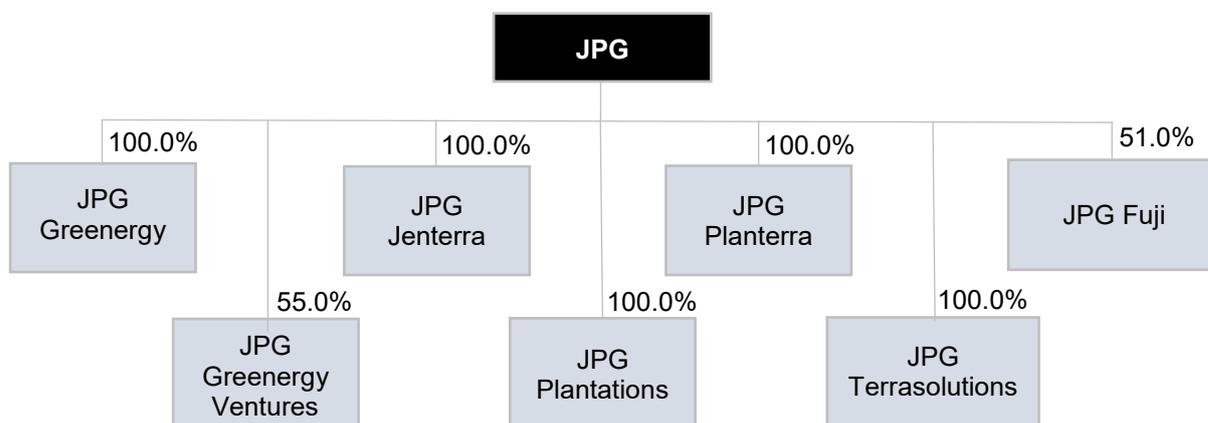
In accordance with the Equity Guidelines, the entire shareholding in our Company held by Kulim after our IPO is subject to moratorium for 6 months from the date of our Listing. In addition, the direct and indirect shareholders of Kulim, namely JCorp and JCorp Capital, have also undertaken that they will not sell, transfer or assign any of their shareholdings in Kulim for 6 months from the date of our Listing. JCorp has further undertaken not to sell, transfer or assign any of its shareholdings in JCorp Capital for 6 months from the date of our Listing.

Please refer to Sections 2.2 and 4 of this Prospectus for further details of our moratorium and IPO respectively.

3. PROSPECTUS SUMMARY (CONT'D)

3.2 OUR BUSINESS

We were incorporated in Malaysia under the Companies Act 1965 on 21 March 1978 as a private limited company under the name of Yule Catto Plantations Sdn Bhd and are deemed registered under the Act. We changed our name to Mahamurni Plantations Sdn Bhd on 12 May 1993 and subsequently to Johor Plantations Sdn Bhd on 12 February 2023. In order to facilitate our Listing, we converted into a public limited company on 20 February 2023 and changed our name to Johor Plantations Group Berhad on 27 November 2023. Our corporate structure as at the LPD is as follows:



We are an upstream oil palm plantation company operating predominantly in Johor, Malaysia, and in connection with our IPO, we have plans to enter into the downstream plantation business. We primarily own, manage, and cultivate oil palms and harvest FFB produced on the plantation estates that we own or rent. As at the LPD, we operate 23 plantation estates, consisting of 22 plantation estates in Johor and a plantation estate in Pahang, with a total landbank of 59,781 Ha and a total oil palm planted area of 55,904 Ha, representing approximately 93.5% of the total land area of our plantation estates.

We rent the Malay Reserved Estates and the Kuala Kabong Estate from JCorp. We also rent 404 Ha of the REM Estate (approximately 15.5% of the total land area of the REM Estate), of which 229 Ha is rented from Johor Land and 175 Ha is rented from Kulim. However, Kulim has informed us that it is in the process of disposing of a portion of the REM Estate measuring 29 Ha, and we will then cease our tenancy in respect of such area once the disposal is completed. The disposal is not expected to have any material impact to our business operations and financial performance as the land area represented less than 0.1% of our total landbank.

We also manage 3 third-party plantation estates with total land area of 1,549 Ha. We generate management fee income and purchase all FFB harvested from these managed estates. We own 5 POMs that are strategically located within close proximity to most of our plantation estates where we process FFB to produce CPO and PK. We sell our CPO to third-party downstream refineries in Malaysia for further processing into edible oils or oleochemical products. We sell our PK to third-party PK crushing plants in Malaysia to produce PK products.

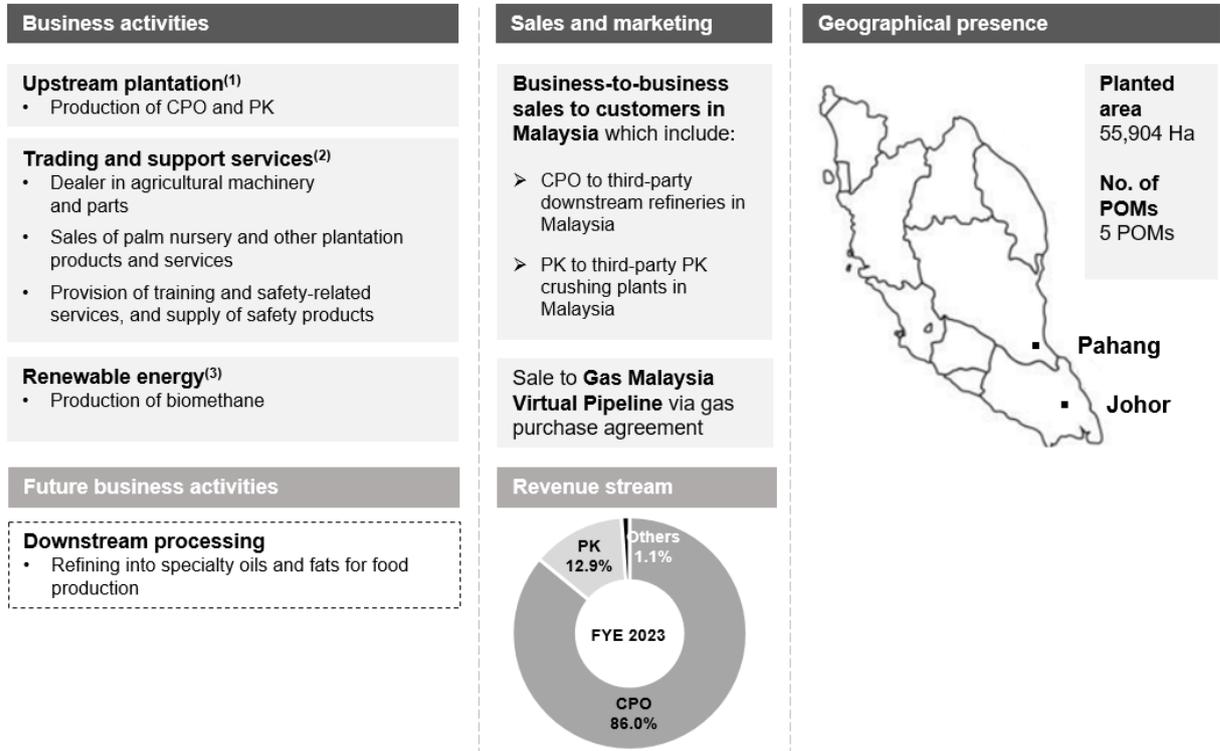
The table below sets out the age profile of the total oil palm planted area of our oil palm plantations, excluding managed estates, as at the LPD:

	Average age profile of oil palm plantations as at the LPD					Total
	Less than 3 years (Immature)	4 to 8 years (Mature young)	9 to 18 years (Prime young)	19 to 22 years (Prime old)	23 years and above (Old)	
Total area planted (Ha)	3,816	8,011	30,372	8,695	5,010	55,904
% of the total oil palm planted area	6.8	14.3	54.3	15.6	9.0	100.0

3. PROSPECTUS SUMMARY (CONT'D)

In addition to our core business in the plantation segment, we are also involved in trading and other support services such as trading of agricultural machineries, selling of germinated seeds and providing training and advisory services as well as generating and supplying renewable energy.

The diagram below sets out our business model, including our current upstream oil palm operations and our planned downstream operations:



Notes:

- (1) Our plantation segment accounted for 98.8%, 98.9%, 98.7% and 98.9% of our Group's revenue for the Financial Years Under Review.
- (2) Our trading and other support services segment accounted for 1.2%, 1.1%, 1.3% and 1.0% of our Group's revenue for the Financial Years Under Review.
- (3) Our renewable energy segment accounted for 0.1% of our Group's revenue for the FYE 2023. We began generating revenue from our new renewable energy business segment during the FYE 2023, whereby we sold the biomethane produced at our biomethane plant at Sedenak POM to Gas Malaysia Green Ventures since August 2023. However, operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident, as disclosed in Section 7.18.4 of this Prospectus. Restoration works were completed in May 2024 and we have since resumed operations at the said plant.

Please refer to Sections 6 and 7 of this Prospectus for further details of our Group and business.

3. PROSPECTUS SUMMARY (CONT'D)

3.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

(i) We are regionally focused, with a large existing landbank in Johor and a strong operational track record

We are well-positioned to expand our presence in Johor as opportunities arise, and increase production due to our existing size and scale and extensive industry experience focused primarily in Johor. As at the LPD, approximately 54.3% of our total oil palm planted area were planted with prime young oil palms aged between 9 to 18 years. Our oil palms, which had a weighted average age of 13.9 years as at the LPD, have a favourable age profile that we actively manage through replanting and land acquisition or rental, which we believe will position us well to sustain and expand production. In addition, our regionally-focused operations with a large existing landbank in Johor have consistently outperformed the industry average (MPOB benchmark) measured across our key performance indicators (i.e. average FFB yield per Ha, oil extraction rate and average CPO selling price) during the Financial Years Under Review, further details of which are set out in Section 7.2.1(iii) of this Prospectus. We believe that our successful track record, deep expertise, and strong reputation will enable us to seize opportunities to expand our plantation area and sourcing of RSPO-certified FFB from third parties, which in turn will enable us to sustain and expand our production.

(ii) We seek to adhere to sustainable plantation practices and produce sustainable palm oil products

We believe that our investments in, and focus on, production of more sustainable and traceable palm oil products positions us well to serve the growing demand as more of our customers and their end customers prioritise higher-quality and more socially conscious palm oil products. We have become a proven and trusted partner for our customers and their end customers due to our ability to consistently produce CPO that is suitable for use in international markets.

(iii) We have strong brand recognition and foundational support from our association with our Promoters, namely JCorp and Kulim

We are an indirect subsidiary of JCorp, Johor's economic development corporation with significant involvement in key business sectors including agriculture, wellness and healthcare, food and restaurants, as well as real estate and infrastructure. As part of the JCorp-backed Kulim group, we benefit from Kulim's and JCorp's industry reputation, both with customers, suppliers, financiers, investors and other business partners. Taking into account Kulim's presence in the plantations business and ownership of all of our plantation estates prior to the Pre-Listing Restructuring, we are one of the most established and experienced upstream oil palm plantation companies in Malaysia.

(iv) We are well-positioned to benefit from strong palm oil fundamentals and demand growth trends

Demand for palm oil is forecasted to grow at a faster rate than supply, which is being held back by an inability to expand oil palm planting area, until 2032 according to the IMR Report. From 2032 onwards, the growth in supply is expected to be slightly faster than demand as higher soybean oil supplies remove some of the pressure from palm oil and replanting helps to increase production, but stocks are expected to remain tight. We believe that trends of increasing demand for palm oil products, coupled with slowing growth rates of production, will help to drive demand for our products and future revenue growth.

3. PROSPECTUS SUMMARY (CONT'D)

(v) Our integrated business model allows us to leverage and diversify along the palm oil value chain

We have established an integrated business model that operates across the upstream of the palm oil value chain. Integration along the palm oil value chain provides us with greater control over the supply chain and production process. This additional control promotes an increase in the quality of our products. It also enables us to improve efficiency and reduce costs by leveraging synergies along the value chain. Given the scale of our integrated upstream operations, we are well-positioned to enter into the downstream palm oil segment in the future. Please refer to Section 7.3.4 of this Prospectus for further details of our plans to enter the downstream plantation business.

(vi) We have an experienced and committed research and development unit

We invest in research and development initiatives to establish good agricultural practices that help to increase our yield and productivity. For example, our in-house research and development unit has collaborated with MPOB to develop new oil palm clones. After 7 years of research, a jointly developed Clone P325 was officially recognised as an “elite clone” (a planting material of choice) producing an average FFB of 30 MT per Ha a year, with an estimated oil extraction rate of 28.1%, and CPO of 8.5 MT per Ha a year, as compared to our standard DxP oil palm producing an average FFB of 28 MT per Ha a year, with an estimated oil extraction rate of 23.1%, and CPO of 6.6 MT per Ha a year. In recognition of its superiority, the clone won the Malaysian Innovative Product Gold Award at the International Invention, Innovation and Technology Exhibition 2020.

(vii) Our Managing Director and Key Senior Management have extensive experience

We are led by our experienced Managing Director and supported by our Key Senior Management, each of whom has substantial knowledge and exposure in the oil palm plantation industry. They have also spent a significant part of their careers serving in leadership positions in Kulim prior to the Pre-Listing Restructuring and have been contributing to the growth and success of our plantation business.

Please refer to Section 7.2 of this Prospectus for further details of our competitive strengths.

3.4 FUTURE PLANS AND STRATEGIES

Our future plans and strategies are as follows:

(i) We intend to increase CPO production output

We intend to increase our CPO production output by increasing operational efficiency, land acquisition or rental and expanding sourcing of RSPO-certified FFB. As part of this effort, we have launched an initiative called “Palm Product Yield 7.0 MT” to attain yields of at least 7.0 MT of palm products per Ha from our mature oil palm plantings from our palm product yield of 6.0 MT per Ha, 5.3 MT per Ha, 5.7 MT per Ha and 5.1 MT per Ha for the Financial Years Under Review respectively. To increase our yields, our strategy is to replant old oil palms or those more than 25 years old with higher-yielding planting materials using various clonal palms such as KT clonal and improved DxP seedlings. We also plan to continue replanting our estates with improved planting materials that are developed through our research and development activities and incorporate more mechanisation and digitalisation into our production process to increase our CPO and PK production. We may acquire existing plantation estates in Johor should such opportunity arise or enter into rental agreements given the limited suitable land available for expansion. We may increase the sourcing of our FFB by increasing our number of managed estates for third parties. We intend to focus this expansion in the Johor region to complement and leverage our existing operations. We may also expand to other geographies if it is commercially and operationally viable and synergistic to our existing operations.

3. PROSPECTUS SUMMARY (CONT'D)**(ii) We aim to focus on the sustainably-sourced CPO market**

We aim to increase our CPO selling volume into the sustainably-sourced CPO market. We believe that we have a competitive advantage due to our long track record as an RSPO-certified producer since 2009 and our continued investment in CPO quality enhancement. The sustainably-sourced CPO market consists of customers that have more stringent purchasing requirements, such as RSPO certification, complete traceability and lower levels of mineral and other contaminants in the CPO. We are generally able to market our products at a premium when we sell them in the segment of the market that focuses on sustainably-sourced CPO.

(iii) We embrace sustainable principles by maximising the use of by-products from our POMs

As part of our commitment to operate sustainably and be an environmentally responsible plantation company, we plan to continue to embrace sustainable principles by maximising the use of by-products from our operations. We converted the biogas plant at our Sedenak POM into a biomethane plant, which commenced commercial operations in June 2023, followed by our first production and sale of biomethane produced at our biomethane plant at Sedenak POM to Gas Malaysia Green Ventures in August 2023. However, operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident, as disclosed in Section 7.18.4 of this Prospectus. Restoration works were completed in May 2024 and we have since resumed operations at the said plant. We expect the construction and commissioning of our bio-CNG plants at our Tereh POM and Sindora POM to complete by the end of June 2024, followed by the production of bio-CNG at these bio-CNG plants for commercial sales in July 2024.

(iv) We intend to diversify our offerings to include downstream products such as specialty oils and fats

Through our venture into the downstream market, we seek to enhance our position as a fully integrated oil palm producer and generate additional revenue across the entire value chain. We believe that further expansion of our integrated business model offers us the potential to better manage commodity price volatility by giving us the flexibility to channel our CPO and PK to the various segments of our downstream processes at the appropriate time, thus benefiting from the different price characteristics and feedstock types in various downstream segments. As part of our strategy to venture into the downstream segment of the plantation value chain, we have allocated RM171.6 million of the gross proceeds from the Public Issue to construct an integrated sustainable palm oil complex.

(v) We intend to expand the production capacity of our POMs

We plan to continue to explore opportunities to increase production capacity to meet our growth targets. These opportunities may include further upgrades to our existing POMs or strategic acquisitions of additional POMs. This would allow us to process increased volumes of FFB, which we expect to generate in the future due to the age profile of our plantations and expected increase in the number of our oil palms that are in peak production years.

(vi) We intend to improve our operational efficiency, productivity, and governance through use of digital technologies

We recognise the need to embrace digitalisation as part of our transformation into a progressive, efficient, and profitable company. We intend for digitalisation to be at the core of our operations going forward. Our employees and workers are adopting the use of digital technologies on a daily basis. We intend to prioritise initiatives to address digital needs such as the automation of FFB grading and digitalisation of laboratory operations.

Please refer to Section 7.3 of this Prospectus for further details of our future plans and strategies.

3. PROSPECTUS SUMMARY (CONT'D)

3.5 RISK FACTORS

The following is a summary of the key risks relating to our business and operations that we are currently facing or that may develop in the future:

(i) Our performance may be affected by variations in the yield levels of oil palm

The yield for oil palm plantations is generally dependent on factors such as age profile of the oil palms, planting materials, diseases or crop pests and weather conditions that affect the oil palm, terrain, and soil characteristics of the area in which our plantations are located, as well as the availability of labour and the social structure of the local community surrounding our estates. Other factors beyond our control may also affect our yields, including seed quality, pest and diseases and soil fertility. There can be no assurance that we will be able to maintain an optimal age profile for our oil palms or achieve our targeted yield levels on a consistent basis or at all.

(ii) Our business operations and financial performance may be affected by prolonged or significant disruption to our production, storage and distribution facilities, and transportation infrastructure

Our production, storage and distribution facilities or transportation infrastructure that we use to ensure smooth operations are subject to being partially or completely shut down, temporarily or permanently, as a result of a number of circumstances, such as adverse weather conditions, catastrophic events, environmental remediation, equipment or machinery breakdowns, strikes, lock-outs or other events. Any prolonged interruption in our production, storage and distribution facilities or transportation infrastructure that we use could disrupt the flow of our business operations, impact our ability to serve our customers in a timely manner, and adversely affect our results of operations and financial performance.

(iii) Our major customers typically account for a substantial portion of our revenue each year

During the Financial Years Under Review, a significant portion of our revenue was derived from sales to 3 of our major customers, namely Intercontinental Specialty Fats Sdn Bhd, (which contributed more than 38.0% to our Group's revenue for the Financial Years Under Review), Palmaju Edible Oil Sdn Bhd (which contributed to our Group's revenue on an increasing trend from 9.2% for the FYE 2021 to 22.6% for the FYE 2023) and PGEO Group Sdn Bhd (which contributed to our Group's revenue on an increasing trend from 7.3% for the FYE 2021 to 16.9% for the FYE 2023). If one or more of our major customers terminates their relationship with us or decides to purchase less products than expected, our results of operations could be adversely affected in the short run while we make alternative sales arrangements, and in the long run if we are not able to secure such alternative sales arrangements or if the new arrangements are entered into on less favourable terms.

(iv) We are dependent on foreign workers for our plantation operations

The plantation industry in Malaysia, including us, relies heavily on foreign labour. Oil palm plantations require extensive manpower in nurturing of seedlings, palm planting, manuring, harvesting and other routine maintenance work to achieve optimal yields. As such, we rely on employing foreign workers mainly from Indonesia and Bangladesh for our oil palm plantation operations. As at the LPD, we employed a total of 4,780 estate workers, out of which 3,572 are foreign workers. There can be no assurance that our business operations and financial performance will not be materially and adversely affected arising from any changes in policies relating to the employment of foreign workers in the future.

(v) Our business operations may be affected by loss of right of use of the estates that we rent which contribute a substantial amount of our FFB production

We rent the Malay Reserved Estates from JCorp and they collectively contributed approximately 16.2%, 15.9%, 16.1% and 17.4% of the FFB produced on our owned and rented plantation estates during the Financial Years Under Review respectively.

3. PROSPECTUS SUMMARY (CONT'D)

Based on the terms of the Renewal Tenancy Agreement, the term of our tenancy for the Malay Reserved Estates will expire on 30 June 2026. To provide certainty on our continuous usage of the Malay Reserved Estates, JCorp and our Company had on 1 March 2024 executed the Second Supplemental Agreement to further amend the terms of the Tenancy Agreement, by stipulating the termination event of the tenancy in respect of the Malay Reserved Estates and providing certainty on the tenancy term following its expiry on 30 June 2026, subject to the terms of the Second Supplemental Agreement.

Notwithstanding the express right granted to us under the Second Supplemental Agreement to renew our tenancy of the Malay Reserved Estates for subsequent terms, JCorp is entitled to terminate the Tenancy Agreement in the event we breach any of the covenants under the Tenancy Agreement and fail or neglect to remedy such breach within the stipulated period provided therein. If the Tenancy Agreement is terminated as a result thereof, we will lose our right to use the Malay Reserved Estates, including our right to use the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate, and we will have to identify alternative estate for the relocation of the complex.

(vi) We may not be able to continuously renew the term of the Tenancy Agreement

Pursuant to the terms of the Second Supplemental Agreement, we are entitled to renew the tenancy of the Malay Reserved Estates upon expiration of any Extended Term (as defined in Section 7.9 of this Prospectus), so long as the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate continues to be in operation and there is no existing breach or non-observance of any of the covenants and provisions on our part contained in the Tenancy Agreement.

If we cease operation of the integrated sustainable palm oil complex or we breach any of our covenants provided in the Tenancy Agreement, JCorp may, upon receiving our notice in writing to renew the Extended Term, decline the renewal of the Extended Term, and following thereto, our tenancy with JCorp pertaining to the Malay Reserved Estates will cease immediately upon the expiry of the relevant Extended Term.

Please refer to Section 9 of this Prospectus for further details of our risk factors.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

Name	Designation
Directors	
Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar	Non-Independent Non-Executive Chairman
Mohd Faris Adli Bin Shukery	Managing Director
Dato' Sr. Hisham Bin Jafrey	Non-Independent Non-Executive Director
Shamsul Anuar Bin Abdul Majid	Non-Independent Non-Executive Director
Abdullah Bin Abu Samah	Independent Non-Executive Director
Fawzi Bin Ahmad	Independent Non-Executive Director
Mohd Fazillah Bin Kamaruddin	Independent Non-Executive Director
Vinie Chong Pui Ling	Independent Non-Executive Director
Ong Li Lee	Independent Non-Executive Director
Norita Binti Ja'afar	Independent Non-Executive Director
Key Senior Management	
Aziah Binti Ahmad	Chief Financial Officer
Mohamad Yami Bin Bakar	Head of Plantation
Amran Bin Zakaria	Head of Group Human Capital
Wan Adlin Bin Wan Mahmood	Head of Sustainability and Innovation

3. PROSPECTUS SUMMARY (CONT'D)

Please refer to Section 5 of this Prospectus for further details of our Directors and Key Senior Management.

3.7 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

Name / Country of incorporation	As at the LPD / Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
Kulim / Malaysia	2,036,000	100.0	-	-	1,625,000	65.0	-	-
JCorp / Malaysia	-	-	2,036,000	100.0	-	-	1,625,000	65.0

Please refer to Section 5 of this Prospectus for further details of our Promoters and Substantial Shareholders.

3.8 USE OF PROCEEDS

Details	RM'000	%	Estimated time frame for use of proceeds from the date of our Listing
Capital expenditure	196,829	50.5	Within 30 months
Repayment of bank borrowings	167,440	43.0	Within 6 months
Working capital	6,741	1.7	Within 3 months
Estimated listing expenses	18,750	4.8	Within 1 month
Total	389,760	100.0	

The Offer for Sale will raise gross proceeds of approximately RM345.2 million which will accrue entirely to our Selling Shareholder. Please refer to Section 4.5 of this Prospectus for further details of the use of proceeds arising from the Public Issue.

3.9 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The table below sets out the key financial highlights based on our audited consolidated financial statements and our operational highlights for the Financial Years Under Review:

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Financials				
Revenue	1,020,759	1,549,235	1,751,645	1,253,445
GP	284,979	627,748	769,947	363,053
PBT	117,611	488,548	569,120	186,920
PAT attributable to owners of our Group	52,501	344,796	495,592	167,306
EBITDA	311,761	662,621	744,789	385,038
GP margin (%)	27.9	40.5	44.0	29.0
EBITDA margin (%)	30.5	42.8	42.5	30.7
PBT margin (%)	11.5	31.5	32.5	14.9
PAT margin (%)	5.1	22.3	28.3	13.3

3. PROSPECTUS SUMMARY (CONT'D)

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Equity attributable to owners of our Group	1,643,423	1,873,219	1,975,790	2,243,740
Total borrowings	2,042,062	1,878,630	1,767,560	1,627,217
Total lease liabilities	2,052	2,273	1,418	107,255
Net debt	1,887,595	1,682,583	1,743,525	1,593,784
Trade receivables turnover period (days)	17	15	13	12
Trade payables turnover period (days)	37	20	18	19
Inventory turnover period (days)	9	8	16	20
- raw materials and consumables	3	3	10	12
- agricultural produce and finished goods	6	5	6	8
Current ratio (times)	0.9	1.3	1.0	1.0
Gearing ratio (times)	1.2	1.0	0.9	0.8
Net gearing ratio (times)	1.1	0.9	0.9	0.7
<u>Production and processing</u>				
Total FFB produced (MT)	1,145,090	1,035,342	1,111,496	1,034,153
Total FFB purchased (MT)	356,859	384,271	316,870	327,600
Total FFB processed (MT)	1,501,949	1,419,613	1,428,366	1,361,753
CPO produced (MT)	316,066	295,747	289,488	270,900
PK produced (MT)	79,711	75,867	76,383	72,383
CPO delivered (MT)	316,840	295,887	287,147	270,347
PK delivered (MT)	79,717	75,892	75,348	72,675
<u>Yield and extraction rates</u>				
Yield per Ha (MT per Ha)	22.9	20.1	22.1	20.3
Palm product yield (MT per Ha)	6.0	5.3	5.7	5.1
Oil extraction rate (%)	21.0	20.8	20.3	19.9
Kernel extraction rate (%)	5.3	5.3	5.4	5.3
<u>Average selling prices</u>				
CPO price (RM per MT)	2,753	4,422	5,177	3,989
PK price (RM per MT)	1,625	2,887	3,218	2,223

Our revenue decreased by 28.4% to RM1,253.4 million for the FYE 2023 (FYE 2022: RM1,751.6 million) as we recorded lower revenue from selling CPO and PK due to lower delivery volume (as a result of lower oil extraction rate primarily due to adverse weather conditions and flooding on our plantation estates in March 2023), and lower selling prices during the FYE 2023. This has resulted in a decrease in our GP and PAT of 52.8% and 66.2% respectively for the FYE 2023. The financial highlights presented above should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" as set out in Section 12.3 of this Prospectus and the Accountants' Report, together with its related notes, as set out in Section 13 of this Prospectus.

3.10 DIVIDEND POLICY

The payment of dividends by us will depend upon our distributable profits, financial performance and cash flow requirements for operations and capital expenditure as well as the covenants in our existing loan agreements with the respective financial institutions. In addition, changes in applicable accounting standards may also affect the ability of our subsidiaries, and consequently, our ability to declare and pay dividends. It is the intention of our Board to recommend and distribute a dividend of at least 50.0% of our annual audited PAT attributable to the owners of our Group. This will allow our shareholders to participate in our profits while leaving adequate reserves for our future growth. Please refer to Section 9.3.5 of this Prospectus for the risk factor which may affect our ability to pay dividends as well as Section 12.6 of this Prospectus for further details of our dividend policy.

4. DETAILS OF OUR IPO

4.1 PARTICULARS OF OUR IPO AND PLAN OF DISTRIBUTION

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, our IPO Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus, respectively.

Our IPO consists of the Institutional Offering and the Retail Offering, totalling up to 875,000,000 IPO Shares, representing approximately 35.0% of our enlarged number of issued Shares. In conjunction with our Listing, we had on 24 April 2024, completed the Share Split which entails the subdivision of our existing Shares into 2,036,000,000 Shares to enhance the liquidity of our Shares at the time of our Listing.

4.1.1 Institutional Offering

The Institutional Offering involves the offering of up to 797,500,000 IPO Shares, representing 31.9% of our enlarged issued number of issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus, at the Institutional Price to be allocated in the following manner:

- (i) 312,500,000 IPO Shares, representing 12.5% of our enlarged number of issued Shares to Bumiputera investors approved by the MITI; and
- (ii) up to 485,000,000 IPO Shares, representing 19.4% of our enlarged number of issued Shares to the following persons:
 - (a) Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI); and
 - (b) foreign institutional and selected investors outside the United States in reliance on Regulation S.

As part of the Institutional Offering, on 27 May 2024, our Company and our Selling Shareholder, entered into the Master Cornerstone Placement Agreement with the Cornerstone Investors where the Cornerstone Investors have agreed to subscribe for, purchase and/or acquire, subject to the terms of the Master Cornerstone Placement Agreement and the individual cornerstone placement agreements, an aggregate number of 325,400,000 IPO Shares, representing approximately 13.0% of our enlarged issued share capital at the Final Retail Price. Save for the maximum limit of 5.0% of our enlarged issued share capital upon our Listing for the placement of our IPO Shares to the Cornerstone Investors who are persons connected to our placement agents, there is no maximum limit for offering to the other Cornerstone Investors.

In addition, save as disclosed below, none of the other Cornerstone Investors will subscribe for more than 5.0% of our IPO Shares under the individual cornerstone placement agreements:

- (i) AHAM Asset Management Berhad, together with its wholly-owned subsidiary, AIIAN Asset Management Sdn Bhd who will collectively subscribe for 132,000,000 IPO Shares, representing approximately 15.1% of our IPO Shares or 5.3% of our enlarged issued share capital upon our Listing; and
- (ii) abrdn Malaysia Sdn Bhd, together with its wholly-owned subsidiary, abrdn Islamic Malaysia Sdn Bhd who will collectively subscribe for 53,000,000 IPO Shares, representing approximately 6.1% of our IPO Shares or 2.1% of our enlarged issued share capital upon our Listing.

The individual cornerstone placement agreements are conditional upon, among others, the Retail Underwriting Agreement and Placement Agreement being entered into and having become unconditional, and not having been terminated in accordance with their terms therewith.

4. DETAILS OF OUR IPO (CONT'D)

4.1.2 Retail Offering

The Retail Offering involves the offering of 77,500,000 IPO Shares, representing 3.1% of our enlarged number of issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus, at the Retail Price to be allocated in the following manner:

(i) **Malaysian Public**

50,000,000 IPO Shares, representing 2.0% of our enlarged number of issued Shares, will be made available for application by the Malaysian Public by way of balloting, of which 25,000,000 IPO Shares will be set aside for application by Bumiputera investors.

(ii) **Eligible Persons**

27,500,000 IPO Shares (being Pink Form Allocations), representing 1.1% of our enlarged number of issued Shares, will be reserved for application by the Eligible Persons as follows:

Eligible Persons	Number of Eligible Persons	Aggregate number of Pink Form Allocations
Eligible directors of our Group	10	5,088,000
Eligible employees	1,198	14,623,000
Persons who have contributed to the success of our Group	162	7,789,000
Total	1,370	27,500,000

The allocation to our eligible Directors is based on, among others, their respective roles, responsibilities and anticipated contributions to our Group. The number of IPO Shares to be allocated to our eligible Directors is as follows:

Eligible Directors	Designation	Number of Pink Form Allocations
Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar	Non-Independent Non-Executive Chairman	416,000
Mohd Faris Adli Bin Shukery	Managing Director	769,000
Dato' Sr. Hisham Bin Jafrey	Non-Independent Non-Executive Director	566,000
Shamsul Anuar Bin Abdul Majid	Non-Independent Non-Executive Director	1,037,000
Abdullah Bin Abu Samah	Independent Non-Executive Director	400,000
Fawzi Bin Ahmad	Independent Non-Executive Director	300,000
Mohd Fazillah Bin Kamaruddin	Independent Non-Executive Director	300,000
Vinie Chong Pui Ling	Independent Non-Executive Director	300,000
Ong Li Lee	Independent Non-Executive Director	500,000
Norita Binti Ja'afar	Independent Non-Executive Director	500,000
Total		5,088,000

For information purposes, the allocation of IPO Shares under the Pink Form Allocations to the following directors takes into consideration their additional role in JCorp that has contributed to the success of our Group:

- (i) Dato' Sr. Hisham Bin Jafrey, as the Independent Non-Executive Director of JCorp; and
- (ii) Shamsul Anuar Bin Abdul Majid, as the Chief Investment Officer and a member of the management committee of JCorp, that is involved in decision making relating to the strategic plans of our Group. He also played a key role in engaging and securing investors for our IPO.

4. DETAILS OF OUR IPO (CONT'D)

The criteria of allocation to our eligible employees (as approved by our Board) are based on, among others, the following factors:

- (a) the eligible employee must be a full time and confirmed employee of our Group and on our Group's payroll; and
- (b) the number of Issue Shares allocated to the eligible employees is based on their seniority, job grade, length of service, past performance and contributions to our Group.

The number of IPO Shares to be allocated to our Key Senior Management is as follows:

Key Senior Management	Designation	Number of Pink Form Allocations
Aziah Binti Ahmad	Chief Financial Officer	300,000
Mohamad Yami Bin Bakar	Head of Plantation	234,000
Amran Bin Zakaria	Head of Group Human Capital	234,000
Wan Adlin Bin Wan Mahmood	Head of Sustainability and Innovation	205,000
Total		973,000

Both Mohamad Yami Bin Bakar and Amran Bin Zakaria have informed us that they intend to subscribe for 320,000 IPO Shares each under the Institutional Offering.

The allocation to the persons who have contributed to the success of our Group (as approved by our Board) such as, among others, our business associates, customers, suppliers, Johor State entities and employees of the JCorp Group who are part of the working team for our Listing shall be based on their length of business relationship with our Group and the level of support and contribution to the success of our Group.

A summary of our IPO Shares offered under the Retail Offering and Institutional Offering (subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus) is as follows:

	Offer for Sale		Public Issue		Total	
	No. of Shares ('000)	(1)%	No. of Shares ('000)	(1)%	No. of Shares ('000)	(1)%
Institutional Offering						
• Bumiputera investors approved by the MITI	312,500	12.5	-	-	312,500	12.5
• Malaysian and foreign institutional and selected investors	98,500	3.9	386,500	15.5	485,000	19.4
	<u>411,000</u>	<u>16.4</u>	<u>386,500</u>	<u>15.5</u>	<u>797,500</u>	<u>31.9</u>
Retail Offering						
• Eligible Persons	-	-	27,500	1.1	27,500	1.1
• Malaysian Public (via balloting)						
- Bumiputera	-	-	25,000	1.0	25,000	1.0
- Non-Bumiputera	-	-	25,000	1.0	25,000	1.0
	<u>-</u>	<u>-</u>	<u>77,500</u>	<u>3.1</u>	<u>77,500</u>	<u>3.1</u>
Total	<u>411,000</u>	<u>16.4</u>	<u>464,000</u>	<u>18.6</u>	<u>875,000</u>	<u>35.0</u>

Note:

- (1) Based on our enlarged total number of 2,500,000,000 Shares after our IPO.

4. DETAILS OF OUR IPO (CONT'D)

The completion of the Retail Offering and the Institutional Offering are inter-conditional with each other. Our IPO is also subject to the public shareholding spread requirement under the Listing Requirements as set out in Section 4.1.7 of this Prospectus.

4.1.3 Clawback and reallocation

The Institutional Offering and Retail Offering will be subject to the following clawback and reallocation provisions:

- (i) if our IPO Shares allocated to Bumiputera investors approved by the MITI under the Institutional Offering are not fully taken up, our IPO Shares which are not taken up may be allocated to other Malaysian institutional investors under the Institutional Offering. After such reallocation, if the MITI tranche under the Institutional Offering is still not fully taken up, and there is an over-subscription for our IPO Shares by Bumiputera public investors under the Retail Offering, our IPO Shares will be clawed back from the remaining MITI tranche and allocated to the Bumiputera public investors under the Retail Offering, and thereafter to the Malaysian Public under Retail Offering;
- (ii) if our IPO Shares allocated to the Eligible Persons under the Retail Offering are under-subscribed, such IPO Shares may be allocated to the other Malaysian and foreign institutional and selected investors under the Institutional Offering or the Malaysian Public under the Retail Offering or a combination of both, at the discretion of the Joint Global Coordinators and us;
- (iii) subject to items (i) and (ii) above, if there is an over-subscription in the Retail Offering and an under-subscription in the Institutional Offering, our IPO Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and
- (iv) subject to items (i) and (ii) above, if there is an over-subscription in the Institutional Offering and an under-subscription in the Retail Offering, our IPO Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

There will be no clawback and reallocation if there is an over-subscription or under-subscription in both the Institutional Offering and the Retail Offering or an under-subscription in either the Institutional Offering or the Retail Offering but no over-subscription in the other.

Any IPO Shares not taken up by the Eligible Persons ("**Excess IPO Shares**") will be made available for application by the Eligible Persons who have applied for excess on top of their pre-determined allocation and allocated on a fair and equitable basis and in the following priority:

- (a) firstly, allocation on a pro-rata basis to the Eligible Persons who have applied for the Excess IPO Shares based on the number of Excess IPO Shares applied for; and
- (b) secondly, to minimise odd lots.

Our Board reserves the right to allot Excess IPO Shares applied in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (a) and (b) above is achieved. Our Board also reserves the right to accept or reject any Excess IPO Shares application, in full or in part, without assigning any reason.

Once completed, the steps involving items (a) and (b) above will not be repeated. Should there be any balance of Excess IPO Shares thereafter, such balance will be made available for clawback and reallocation as described in (ii) above. Any IPO Shares under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by the Joint Underwriters.

4. DETAILS OF OUR IPO (CONT'D)

4.1.4 Classes of shares and ranking

As at the date of this Prospectus, we only have 1 class of shares, being ordinary shares.

Our IPO Shares will, upon allotment and issue, rank equally in all respects with our existing Shares including voting rights, and will be entitled to all rights and dividends and other distributions that may be declared, paid or made after the date of allotment of the IPO Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attaching to any Shares we may issue in the future, our shareholders shall, in proportion to the amount paid or credited as paid on the Shares held by them, be entitled to share the profits paid out by us in the form of dividends and other distributions. Similarly, if we are liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution, after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

At our general meeting, each shareholder shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representative. Subject to the Listing Requirements, any resolution put to vote at the meeting shall be decided by way of poll. On a poll, each shareholder present either in person or by proxy, attorney or by other duly authorised representative, shall have 1 vote for every Share held or represented. A proxy may but need not be a member of our Company.

4.1.5 Share capital

	No. of Shares (‘000)	RM’000
As at the LPD	2,036,000	1,502,000
New Shares to be issued under the Public Issue	464,000	⁽¹⁾ 380,828
Enlarged issued share capital upon Listing	2,500,000	1,882,828

Note:

- (1) After deducting the estimated listing expenses of approximately RM8.9 million which is directly attributable to the issuance of IPO Shares and offset against our share capital.

The Offer for Sale would not have any effect on our issued share capital as the Offer Shares are our existing Shares prior to our IPO.

4.1.6 Priority of the offering

In the event the demand for our IPO Shares is less than 875,000,000 IPO Shares, the Public Issue shall take precedence over the Offer for Sale. The demand for our IPO Shares shall be firstly satisfied by the Issue Shares under the Public Issue and following that, any excess demand will be satisfied by the Offer Shares under the Offer for Sale.

4.1.7 Minimum subscription level

There is no minimum subscription level in terms of the amount of proceeds to be raised from our IPO. However, in order to comply with the public shareholding spread requirements of the Listing Requirements, the minimum subscription level in terms of the number of Shares will be the number of Shares required to be held by public shareholders. Under the Listing Requirements, we are required to have at least 25.0% of the total number of our Shares in the hands of a minimum number of 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing.

4. DETAILS OF OUR IPO (CONT'D)

If the public shareholding spread requirement is not met, we may not be able to proceed with our Listing. In such event, monies paid in respect of all applications for our IPO Shares will be returned in full without interest. If such monies are not returned in full within 14 days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply whereby in addition to our liability, our officers shall be jointly and severally liable to repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC from the expiration of that period. Please refer to Section 9.3.6 of this Prospectus for details in the event there is a delay in or failure of our Listing.

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4. DETAILS OF OUR IPO (CONT'D)

4.2 SELLING SHAREHOLDER

Our Selling Shareholder will offer up to 411,000,000 Offer Shares, representing approximately 20.2% of our existing total number of Shares as at the LPD and approximately 16.4% of our enlarged number of issued Shares, under the Institutional Offering. Details of our Selling Shareholder are as follows:

Name/Address	Nature of relationship	As at the LPD / Before our IPO		Offer for Sale			Shareholdings after our IPO	
		No. of Shares (^{'000})	%	No. of Shares (^{'000})	(¹)%	(²)%	No. of Shares (^{'000})	(²)%
Kulim Level 11, Menara KOMTAR Johor Bahru City Centre 80000 Johor Bahru Johor, Malaysia	Promoter and Substantial Shareholder	2,036,000	100.0	411,000	20.2	16.4	1,625,000	65.0

Notes:

- (1) Based on our total number of 2,036,000,000 Shares as at the LPD.
- (2) Based on our enlarged total number of 2,500,000,000 Shares after our IPO.

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4. DETAILS OF OUR IPO (CONT'D)

4.3 BASIS OF ARRIVING AT THE PRICE OF OUR IPO SHARES AND REFUND MECHANISM

4.3.1 Retail Price

The Retail Price of RM0.84 per IPO Share was determined and agreed upon between our Directors and the Selling Shareholder in consultation with the Joint Global Coordinators, after taking into consideration the following factors:

- (i) our Group's EPS of approximately 6.7 sen based on our audited consolidated PAT attributable to owners of our Group of approximately RM167.3 million for the FYE 2023 and our enlarged total number of 2,500,000,000 Shares after our IPO, which translates into a price-to-earnings multiple of approximately 12.5 times;
- (ii) pro forma consolidated NA per Share of approximately RM1.05 as at 31 December 2023 based on our enlarged total number of 2,500,000,000 Shares after our IPO and after taking into consideration the use of proceeds from the Public Issue;
- (iii) our competitive strengths as set out in Section 7.2 of this Prospectus;
- (iv) our future plans and strategies as set out in Section 7.3 of this Prospectus;
- (v) our historical financial performance as set out in Section 12 of this Prospectus; and
- (vi) prevailing market conditions which include, among others, market performance of key global indices and companies which are in businesses similar to ours listed on an ASEAN stock exchange and Bursa Securities, current market trends and investors' sentiments.

The Final Retail Price will be determined after the Institutional Price is determined on the Price Determination Date and will be the lower of the Retail Price or the Institutional Price. If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon. Further details on the refund mechanism are set out in Section 4.3.3 of this Prospectus.

You should be aware that the Final Retail Price will not, in any event, be higher than the Retail Price of RM0.84 per IPO Share.

The Final Retail Price and the Institutional Price are expected to be announced within 2 Market Days from the Price Determination Date on the website of Bursa Malaysia Berhad. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for our IPO Shares.

4.3.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of IPO Shares they would be prepared to acquire and the price they would be prepared to pay for our IPO Shares under the Institutional Offering. This bookbuilding process commenced on 12 June 2024 and will end on 24 June 2024. Upon completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholder in consultation with the Joint Global Coordinators on the Price Determination Date.

4. DETAILS OF OUR IPO (CONT'D)

4.3.3 Refund mechanism

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest thereon. The refund will be made: (i) in the form of cheques to be despatched by ordinary post to the address maintained with Bursa Depository, for applications made via the Application Form; (ii) by crediting into the accounts of the successful applicants with the Participating Financial Institution, for applications made via the Electronic Share Application; or (iii) by crediting into the accounts of the successful applicants with the Internet Participating Financial Institution; for applications made via the Internet Share Application within 10 Market Days from the date of final ballot of applications, at the successful applicants' own risk.

4.3.4 Expected market capitalisation

Based on the Retail Price and enlarged number of 2,500,000,000 Shares after our IPO, our total market capitalisation upon our Listing would be RM2.1 billion.

Prior to our IPO, there has been no trading market for our Shares within or outside Malaysia. You should also note that the market price of our Shares upon our Listing is subject to market forces and other uncertainties. You are reminded to consider carefully the risk factors as set out in Section 9 of this Prospectus.

4.4 DILUTION

Dilution is the amount by which our pro forma consolidated NA per Share after our IPO is less than the price paid by retail, institutional and selected investors for our Shares. Our pro forma consolidated NA per Share as at 31 December 2023 and after adjusting for the Share Split was RM1.10 per Share based on our total number of 2,036,000 Shares as at the LPD.

After taking into account our enlarged total number of 2,500,000,000 Shares after our IPO and the use of proceeds from the Public Issue, our pro forma consolidated NA per Share as at 31 December 2023 would be RM1.05 per Share. This represents an immediate dilution in NA per Share of RM0.05 or approximately 4.5% to our existing shareholder as well as an immediate increase in NA per Share of RM0.21 or 25.0% to the retail, institutional and selected investors.

The following table illustrates such dilution on a per Share basis assuming the Retail Price is equal to the Final Retail Price and the Institutional Price:

	RM
Final Retail Price/Institutional Price	0.84
Pro forma consolidated NA per Share as at 31 December 2023 and after the Share Split	1.10
Pro forma consolidated NA per Share as at 31 December 2023, after our IPO and the use of proceeds from the Public Issue	1.05
Dilution in pro forma consolidated NA per Share to our existing shareholder	0.05
Increase in pro forma consolidated NA per Share to the retail, institutional and selected investors	0.21
Increase in pro forma consolidated NA per Share to the retail, institutional and selected investors as a percentage of the Retail Price/Institutional Price	25.0%

Save for the issuance of new Shares to Kulim under the Pre-Listing Restructuring and Capitalisation, none of our Substantial Shareholders, Directors, Key Senior Management or persons connected to them have acquired, or which have the right to acquire, Shares in our Company in the past 3 years up to the LPD.

4. DETAILS OF OUR IPO (CONT'D)

4.5 USE OF PROCEEDS

We expect to use the gross proceeds from the Public Issue amounting to approximately RM389.8 million in the following manner:

Details	RM'000	%	Estimated time frame for use of proceeds from the date of our Listing
Capital expenditure	196,829	50.5	Within 30 months
Repayment of bank borrowings	167,440	43.0	Within 6 months
Working capital	6,741	1.7	Within 3 months
Estimated listing expenses	18,750	4.8	Within 1 month
Total	389,760	100.0	

Further details of the use of the gross proceeds from the Public Issue are as follows:

4.5.1 Capital expenditure

We have earmarked RM196.8 million, representing approximately 50.5% of the gross proceeds from the Public Issue, for our capital expenditure to construct an integrated sustainable palm oil complex and replanting activities as follows:

Details	RM'000	%
Construction of an integrated sustainable palm oil complex	171,600	87.2
Replanting activities	25,229	12.8
Total	196,829	100.0

(a) Construction of an integrated sustainable palm oil complex

As part of our strategy to venture into the downstream segment of the plantation value chain, we have allocated RM171.6 million of the gross proceeds from the Public Issue to construct an integrated sustainable palm oil complex.

This complex, which is a large-scale facility that combines several stages of the palm oil production process in a single location, would enable us to improve our overall efficiency and cost effectiveness in terms of reduced transportation costs, diversify our product offerings and enhance our competitiveness in the plantation market in Johor. The construction of the integrated sustainable palm oil complex which comprises a POM, a downstream refinery, a kernel crushing plant, a bio-energy power plant as well as an animal feedmill in a single location allows us to integrate along the palm oil value chain involving our estate operations, mill operations, renewable energy processing and downstream refinery in view of the close proximity of these facilities with our estate. Our diversification in our product offerings to include specialty oil and fats is also expected to enhance our position as a fully integrated oil palm producer.

4. DETAILS OF OUR IPO (CONT'D)

Further details of the integrated sustainable palm oil complex are set out below:

Description	Function	Estimated production capacity	Estimated cost (RM million)
Downstream refinery	To process CPO into specialty oil and fats	150,000 MT per annum	180.2
POM	To process FFB into CPO and PK	90 MT per hour	141.8
Bio-energy power plant	To produce renewable energy from the by-products of POM	12,000 KW per hour	91.4
Kernel crushing plant	To crush and press PK for extraction and processing into crude palm kernel oil	60,000 MT per annum	16.7
Animal feedmill	To produce animal feeds from the by-products of POM and refinery	39,000 MT per annum	16.6
			446.7

The complex is intended to be constructed on Pasir Logok Estate after taking into consideration the following:

- (i) socio-economic benefits in terms of the development of the local community in areas surrounding the complex, creation of employment opportunities, improvement of infrastructures and economic growth;
- (ii) the availability of sizeable land area at Pasir Logok Estate to cater for construction of the complex with an estimated built-up area of approximately 40 Ha;
- (iii) the location of Pasir Logok Estate which is within close proximity to Fuji Oil Asia Pte Ltd's oil and fats processing plant in Pasir Gudang, Johor. This allows us to benefit from the logistics arrangement between both facilities;
- (iv) the location of Pasir Logok Estate is not prone to flood. Constructing the complex on a non-flood-prone area eliminates any disruption to our business and operations as a result of flooding and will ensure smooth operation of the complex; and
- (v) the certainty for the renewal of rental agreement by JCorp or Kulim in respect of the Malay Reserved Estates (including Pasir Logok Estate) as prescribed under the terms of the Tenancy Agreement and the letter of confirmation from JCorp and Kulim dated 13 September 2023. Please refer to Section 6.1.3(vi) of this Prospectus for further details.

We estimate the total cost for the construction of the new integrated sustainable palm oil complex to be approximately RM446.7 million.

4. DETAILS OF OUR IPO (CONT'D)

We had identified Fuji Oil Asia Pte Ltd as our partner for our venture into the downstream plantation business. In this connection, we had on 25 January 2024, entered into the Shareholders' Agreement with Fuji Oil Asia Pte Ltd for the purpose of regulating the rights and obligations of the parties as shareholders of JPG Fuji. Our Company and Fuji Oil Asia Pte Ltd hold 51% and 49% respectively in the issued share capital of JPG Fuji. Please refer to Section 14.6(xi) for further details of the Shareholders' Agreement.

Through JPG Fuji, we will fund 51% of the estimated cost for the downstream refinery amounting to RM91.9 million, while the remaining RM88.3 million will be funded by Fuji Oil Asia Pte Ltd. The total cost for setting up the integrated sustainable palm oil complex to be borne by us is approximately RM358.4 million, out of which RM171.6 million will be funded via proceeds from the Public Issue, while the remaining RM186.8 million will be funded through internally generated funds and/or external financing. As at the LPD, no amount has been incurred towards construction of this project and we have not identified the specific buildings within the integrated sustainable palm oil complex which will be funded by the proceeds from the Public Issue of RM171.6 million.

We have completed the preparation of conceptual designs and preliminary assessment on feasibility study in June 2023. The construction of the integrated sustainable palm oil complex is estimated to take approximately 32 months from January 2024 as summarised below:

Key events	Estimated duration	Time frame
(i) Appointment of consultants to prepare detailed designs	5 months	By the 2 nd quarter of 2024
(ii) Receipt of all approvals from the relevant authorities ⁽¹⁾ and commencement of tender process for the appointment of the relevant parties/contractors	6 months	By the 4 th quarter of 2024
(iii) Completion of construction works	18 months	By the 2 nd quarter of 2026
(iv) Commissioning of complex	3 months	By the 3 rd quarter of 2026

Note:

- (1) Comprises, among others, Department of Environment, Economic Planning Unit, Malaysia Investment Development Authority, MPOB and Federal Department of Town and Country Planning.

As at the LPD, we are in the midst of appointing the consultants for the preparation of detailed designs of the complex which is expected to be completed by the 2nd quarter of 2024. The complex is expected to occupy an approximate built-up area of 40 Ha and we plan to commence construction after obtaining the relevant approvals from the authorities. Subject to the issuance of CCC, the complex is expected to become operational by the 3rd quarter of 2026.

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4. DETAILS OF OUR IPO (CONT'D)**(b) Replanting activities**

We have allocated approximately RM25.2 million of the gross proceeds from the Public Issue for our annual replanting programme for our plantation estates which will cover an area of approximately 3,942 Ha for the period from 2024 to 2025. Replanting will be carried out with high-yielding planting materials using various clonal and DxP seedlings. We will focus our replanting efforts on 15 out of 23 of our plantation estates with low-yield oil palms that have surpassed age of 25 years. Please refer to the table below for our estates which have been identified for replanting using proceeds from the Public Issue:

No.	Estate	Replanting area (Ha)		
		2024	2025	Total
1.	Tereh Utara Estate	273	342	615
2.	Tereh Selatan Estate	-	198	198
3.	Sungai Tawing Estate	95	126	221
4.	Mutiara Estate	256	259	515
5.	Rengam Estate	222	-	222
6.	Palong Estate	63	-	63
7.	Labis Bahru Estate	249	-	249
8.	Basir Ismail Estate	115	-	115
9.	Sedenak Estate	258	336	594
10.	Siang Estate	199	-	199
11.	Sindora Estate	257	-	257
12.	Pasir Panjang Estate	291	-	291
13.	Mungka Estate	-	134	134
14.	Sepang Loi Estate	-	171	171
15.	Pasir Logok Estate*	-	98	98
	Total	2,278	1,664	3,942

Note:

* Rented estate.

Replanting is an essential activity for oil palm plantations as it ensures the sustainability of our plantation's productivity in the long term, whereby old trees will be replaced with new and improved planting materials, resulting in higher yields and improved quality of the crop. The costs involved in replanting mainly relate to ground clearing, terracing, replanting, planting of ground cover, planting materials and fertiliser management for our immature plantation areas.

Our replanting programme entails an annual replanting target of up to 4.0% of our total planted area. As at the LPD, oil palms with age exceeding 25 years covered an area of 1,197 Ha or approximately 2.1% of our total planted area. For the Financial Years Under Review, we had replanted a total area of 1,238 Ha, 1,122 Ha, 1,216 Ha and 1,484 Ha respectively with the replanting cost of approximately RM35.3 million, RM27.6 million, RM28.6 million and RM46.0 million respectively.

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4. DETAILS OF OUR IPO (CONT'D)

The breakdown of the use of proceeds from the Public Issue amounting to approximately RM25.2 million for our replanting activities are as follows:

Details	RM'000
Land preparation cost ⁽¹⁾	9,705
Seeds and plants	9,535
Construction of infrastructures ⁽²⁾	5,989
Total	25,229

Notes:

- (1) This includes costs related to, among others, land clearing and surveying, and tree felling.
- (2) This includes costs related to the construction of, among others, road, bridges, field drain and harvester paths.

In the event the allocated proceeds are insufficient for our replanting activities for the period from 2024 to 2025, any shortfall will be funded via internally generated funds and/or external financing.

4.5.2 Repayment of bank borrowings

As at the LPD, our borrowings stood at approximately RM1.6 billion and we intend to use approximately RM167.4 million of the gross proceeds from the Public Issue to pare down our existing borrowings as set out below:

(a) STF-i Facility of up to RM1.5 billion

We intend to use approximately RM97.4 million of the gross proceeds from the Public Issue to repay our STF-i Facility that was jointly obtained by Kulim and our Company from CIMB Islamic Bank Berhad (as the Sole Coordinator, Mandated Lead Arranger and Bookrunner), RHB Islamic Bank Berhad and Bank Islam Malaysia Berhad.

Between December 2019 and February 2020, we drew down RM546.5 million to refinance our existing borrowings and for our working capital requirements, while the remaining RM953.5 million was drawn down by Kulim to refinance its borrowings. In conjunction with the Pre-Listing Restructuring, the outstanding liability owed by Kulim under the STF-i Facility amounting to approximately RM865.3 million was novated to our Company as part of our purchase of the assets and liabilities of Kulim's oil palm plantation operations pursuant to the terms of the business transfer agreement dated 27 September 2022 entered into between our Company and Kulim, as referred to in Section 14.6(ii) of this Prospectus. The novated liability was netted off against the NBV of the assets of Kulim's oil palm plantation operations in arriving at the purchase consideration paid by us for Kulim's oil palm plantation operations under the Pre-Listing Restructuring. Upon completion of the Pre-Listing Restructuring, we are the sole borrower of the STF-i Facility and the outstanding amount owing by us under the said facility stood at approximately RM1.1 billion as at the LPD.

The above repayment amount is arrived at based on the mandatory prepayment terms as set out in the facility agreement when Kulim and our Company obtained the facility, that if we undertake an initial public offering, 25.0% of the gross proceeds from the Public Issue shall be utilised towards the repayment of this facility.

This facility will mature in December 2031. The interest rate of this facility is cost of funds plus 1.0% per annum, which translates to an effective interest rate of approximately 5.1% per annum as at the LPD. As at the LPD, the outstanding amount of this borrowing is approximately RM1.1 billion and we anticipate annual interest savings of approximately RM5.0 million based on the effective interest rate of this facility.

4. DETAILS OF OUR IPO (CONT'D)**(b) TF-i Facility of up to RM0.5 billion**

We intend to use RM70.0 million of the gross proceeds from the Public Issue to repay our TF-i Facility of up to RM0.5 billion, which was jointly obtained by Kulim and our Company from CIMB Islamic Bank Berhad.

In December 2017, our Company and Kulim drew down RM360.0 million and RM140.0 million respectively from the said facility to reimburse the funds which were used by Kulim for the payment of the selective capital reduction to its entitled shareholders pursuant to the Privatisation of Kulim. In conjunction with the Pre-Listing Restructuring, the outstanding liability owed by Kulim under the TF-i Facility amounting to approximately RM108.9 million was novated to our Company as part of our purchase of the assets and liabilities of Kulim's oil palm plantation operations pursuant to the terms of the business transfer agreement dated 27 September 2022 entered into between our Company and Kulim, as referred to in Section 14.6(ii) of this Prospectus. The novated liability was netted off against the NBV of the assets of Kulim's oil palm plantation operations in arriving at the purchase consideration paid by us for Kulim's oil palm plantation operations under the Pre-Listing Restructuring.

Subsequently, on 29 December 2022, we mutually agreed with Kulim for the latter to retain a portion of the outstanding liability owed by Kulim under the TF-i Facility amounting to RM11.2 million, resulting in an equivalent sum being owed by us to Kulim. Such amount has subsequently been fully repaid by Kulim to CIMB Islamic Bank Berhad in December 2023. As at the LPD, the outstanding amount owing by us to CIMB Islamic Bank Berhad under the TF-i Facility stood at RM0.4 billion.

The above repayment amount is arrived at based on the mandatory prepayment terms as set out in the facility agreements when we obtained the facility that if we undertake an initial public offering, RM70.0 million of the gross proceeds from the Public Issue shall be utilised towards the repayment of this facility.

This facility will mature in December 2026. The interest rate of this facility is cost of funds plus 1.1% per annum, which translates to an effective interest rate of approximately 5.3% per annum as at the LPD. As at the LPD, the outstanding amount of this borrowing is approximately RM0.4 billion and we anticipate annual interest savings of approximately RM3.7 million based on the effective interest rate of this facility.

For information purposes, we are considering to establish the Proposed Sukuk Programme of up to RM3.0 billion after our Listing to be used for, among others, refinancing of our Group's existing borrowings. For the avoidance of doubt, the Proposed Sukuk Programme will not have any impact on the above repayment of bank borrowings using the gross proceeds from the Public Issue as any proceeds to be raised from the Proposed Sukuk Programme will only be used to refinance our remaining existing borrowings so as to lower our overall cost of borrowings. Please refer to Section 12.4.4 of this Prospectus for further details of the Proposed Sukuk Programme.

4.5.3 Working capital

We intend to use approximately RM6.7 million of the gross proceeds from the Public Issue for our working capital requirements and have allocated the entire amount for the purchase of FFB from smallholders, traders and third-party plantation estates that we manage. Purchase of FFB made up approximately 36.2%, 40.5%, 34.9% and 28.3% of our total cost of sales for the Financial Years Under Review respectively.

We expect our requirement for working capital to increase as we continuously seek to increase our CPO production through acquiring, renting or managing plantation estates. The working capital allocation is expected to enhance our liquidity and cash flow position to support our day-to-day operations.

4. DETAILS OF OUR IPO (CONT'D)

4.5.4 Estimated listing expenses

We estimate that approximately RM18.8 million of the gross proceeds from the Public Issue will be used for our listing expenses as follows:

Details	RM'000
Professional fees ⁽¹⁾	9,416
Fees to authorities	1,168
Underwriting commission, placement fees and brokerage fees ⁽²⁾	6,823
Miscellaneous expenses and contingencies ⁽³⁾	1,343
Total	18,750

Notes:

- (1) This includes professional and advisory fees for, among others, Principal Adviser, Solicitors, Reporting Accountants and Independent Market Researcher.
- (2) Please refer to Section 4.6 of this Prospectus for further details.
- (3) This includes any other incidental charges or related expenses in connection with our IPO, such as translation services, printing and advertising expenses, applicable service tax and IPO roadshow expenses.

The actual proceeds accruing to us will depend on the Institutional Price and the Final Retail Price. If the actual proceeds are higher than budgeted above, the excess will be used for working capital purposes. Conversely, if the actual proceeds are lower than budgeted above, the proceeds shall be allocated in accordance with the following order of priority:

- (i) firstly, to repay our bank borrowings as disclosed in Section 4.5.2 of this Prospectus;
- (ii) secondly, for our capital expenditure as disclosed in Section 4.5.1 of this Prospectus;
- (iii) thirdly, for our listing expenses as disclosed in Section 4.5.4 of this Prospectus; and
- (iv) lastly, for our working capital requirements as disclosed in Section 4.5.3 of this Prospectus.

Any shortfall in any of the above allocated proceeds will be funded through internally generated funds and/or external financing.

Pending the eventual use of the gross proceeds from the Public Issue for the above intended purposes, the funds will be placed in short-term deposits with licensed Islamic financial institutions or short-term money market instruments.

There is no minimum subscription to be raised from our IPO. We will not receive any proceeds from the Offer for Sale. The Offer for Sale will raise gross proceeds of approximately RM345.2 million which will accrue entirely to our Selling Shareholder. Our Selling Shareholder will be bearing its own placement fee in respect of our IPO.

4. DETAILS OF OUR IPO (CONT'D)

4.6 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE**4.6.1 Brokerage fee**

We and the Selling Shareholder will pay brokerage in respect of our IPO Shares under the Retail Offering at the rate of 1.0% (exclusive of any applicable tax) of the Final Retail Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Joint Global Coordinators and Joint Bookrunners are entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, such brokerage commission will not be borne by us nor the Selling Shareholder.

4.6.2 Underwriting commission

As stipulated in the Retail Underwriting Agreement, we will pay the Managing Underwriter and Joint Underwriters an underwriting commission of 1.5% (exclusive of applicable tax) of the Retail Price multiplied by the total number of IPO Shares underwritten under the Retail Offering. In addition, we will pay the Managing Underwriter a managing underwriting commission of 0.5% (exclusive of applicable tax) of the Retail Price multiplied by the total number of IPO Shares underwritten under the Retail Offering.

4.6.3 Placement fee

We and the Selling Shareholder will pay the Placement Managers a placement fee of 1.5% (exclusive of applicable tax) and may pay a discretionary fee of up to 0.5% (exclusive of applicable tax) of the Institutional Price multiplied by the number of IPO Shares placed out to Malaysian and foreign institutional and selected investors under the Institutional Offering in accordance with the terms of the Placement Agreement. The discretionary fee of up to 0.5% is an additional placement fee that may be paid by us or the Selling Shareholder as incentive to the Placement Managers at our respective discretion.

4.7 DETAILS OF THE UNDERWRITING, PLACEMENT AND LOCK-UP ARRANGEMENT**4.7.1 Underwriting**

We have entered into the Retail Underwriting Agreement with the Managing Underwriter and Joint Underwriters to severally and not jointly (nor jointly and severally) underwrite 77,500,000 IPO Shares under the Retail Offering, subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus and upon the terms and subject to the conditions of the Retail Underwriting Agreement.

Details of the underwriting commission are set out in Section 4.6.2 of this Prospectus, while the salient terms of the Retail Underwriting Agreement are as follows:

Unless waived by the Managing Underwriter (acting on behalf of itself and all our Joint Underwriters), the underwriting obligations of the Managing Underwriter and Joint Underwriters are subject to certain conditions precedent which must be fulfilled or waived on or before the closing date of the Retail Offering as stated in this Prospectus or such later date as may be agreed in writing by the Managing Underwriter (on behalf of all our Joint Underwriters).

4. DETAILS OF OUR IPO (CONT'D)

The Managing Underwriter (for and on behalf of our Joint Underwriters) may, by notice to our Company given at any time before the date of Listing, terminate, cancel and withdraw their respective underwriting commitment if:

- (a) there is an occurrence of any event or discovery of any fact or circumstances rendering any of the warranties or undertakings set out in the Retail Underwriting Agreement untrue, inaccurate, incorrect, misleading or breached or ceases to be true, accurate and correct or becomes misleading, in any respect;
- (b) there is any breach or failure on our part to perform any obligations contained in the Retail Underwriting Agreement which would have resulted in any event, development or occurrence, or series of events, developments or occurrences, which, in the reasonable opinion of the Managing Underwriter and Joint Underwriters, have or could be expected to have a material adverse effect or change, whether individually or in the aggregate, and whether or not arising in the ordinary course of business, on any of the following:
 - (i) the condition (financial or otherwise), general affairs, commitments (contractual or otherwise), earnings, management, business, properties, assets, liquidity, liabilities, undertakings, shareholders' equity, results of operations or prospects of our Company or our Group taken as a whole;
 - (ii) the ability of our Company or our Selling Shareholder to perform their obligations under or with respect to, or to consummate the transactions contemplated by, this Prospectus or the Retail Underwriting Agreement, Placement Agreement, each lock-up agreement, the Master Cornerstone Placement Agreement and each cornerstone placement agreement (collectively, the "**Transaction Agreements**");
 - (iii) the ability of our Company or any company of our Group to conduct its businesses and to own or lease its assets and properties as described in this Prospectus; or
 - (iv) our IPO including but not limited to the success of our IPO or the distribution or the sale of our IPO Shares pursuant to our IPO

(collectively, the "**Material Adverse Effect**") and,

where such breach or failure is capable of remedy, the same not being remedied within 7 Market Days or within such other period which the parties may mutually agree in writing;
- (c) our Company withholds any material information from the Managing Underwriter and Joint Underwriters which would have or would reasonably be expected to have a Material Adverse Effect;
- (d) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Managing Underwriter and Joint Underwriters by reason of Force Majeure (as defined below) which would have or can be expected to have, a Material Adverse Effect or which would have or is likely to have the effect of making any obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms. "**Force Majeure**" means causes which are unpredictable and beyond the reasonable control of the party claiming force majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:
 - (i) war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, national emergency, civil war or commotion, hijacking, terrorism;

4. DETAILS OF OUR IPO (CONT'D)

- (ii) riot, commotion, uprising against constituted authority, civil commotion, disorder, rebellion, organised armed resistance to the government, insurrection, revolt, military takeover or usurped power;
- (iii) natural catastrophe including but not limited to earthquakes, floods, fire, storm, lightning, tempest, explosions, accidents, outbreaks of disease, epidemics or pandemics (excluding the current state of COVID-19 endemic), the imposition of lockdowns or similar measures to control the spread of any epidemic or other acts of God; or
- (iv) the occurrence of any other calamity or crisis or emergency or any event or series of events in the nature of force majeure, or deterioration of any such condition,

and causes such party to be incapable of performing its obligations under the Retail Underwriting Agreement despite reasonable efforts of such party claiming it as a force majeure to prevent it or mitigate its effects ("**Force Majeure**"), which would have or can be expected to have, a Material Adverse Effect or which would have or is likely to have the effect of making any obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms;

- (e) there shall have occurred any government requisition or other events whatsoever which would have or is likely to have a Material Adverse Effect;
- (f) there shall have occurred any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which would have or is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings in the secondary market) on the value or price of our IPO Shares. For the avoidance of doubt, and without prejudice to the foregoing, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (i) on or after the date of the Retail Underwriting Agreement; and
 - (ii) prior to the closing date of the Retail Offering,

lower than 85% of the level of the Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Retail Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;

- (g) a banking moratorium has been declared by authorities in Malaysia, the United States, the United Kingdom, Singapore or Hong Kong, or a material disruption of commercial banking activities or securities settlement or clearance services has occurred in Malaysia, the United States, the United Kingdom, Singapore, or Hong Kong;
- (h) trading in shares or securities generally on Bursa Securities, Singapore Exchange Securities Trading Limited, the New York Stock Exchange, National Association of Securities Dealers Automated Quotations (NASDAQ), the London Stock Exchange or the Hong Kong Stock Exchange has been limited or suspended for 3 consecutive Market Days or more or minimum prices have been established on Bursa Securities;
- (i) there shall have been announced or carried into force any new laws or change in laws in any jurisdiction, interpretation or application by any court or authority which may (i) have a Material Adverse Effect or (ii) in the reasonable opinion of the Managing Underwriter and Joint Underwriters, prejudice the success of our IPO or our Listing or which would have or is likely to have the effect of making it impracticable to enforce contracts to allot and/or transfer our Shares or making any obligation under the Retail Underwriting Agreement incapable of performance in accordance with its terms;

4. DETAILS OF OUR IPO (CONT'D)

- (j) in the opinion of the Managing Underwriter and Joint Underwriters, there is a change or development in taxation in Malaysia, which materially and adversely affects our Company, our Group, our IPO Shares or the transfers thereof or an announcement of such change or development;
- (k) the Institutional Offering and/or the Retail Offering is stopped or delayed by our Company or any authority for any reason whatsoever (unless such delay has been approved by the Managing Underwriter and Joint Underwriters);
- (l) the closing date of the Retail Offering does not occur by 24 June 2024 or such other extended date as may be agreed in writing by the Managing Underwriter and Joint Underwriters;
- (m) our Listing does not take place by 18 July 2024 or such other extended date as may be agreed in writing by the Managing Underwriter and Joint Underwriters;
- (n) any commencement of proceedings, formal investigations, enquiries or action against our Company or any member of our Group or any of our directors or executive officers, which would have or is likely to have a Material Adverse Effect or in the reasonable opinion of the Managing Underwriter and Joint Underwriters, make it impracticable to market our IPO or to enforce contracts to allot and/or transfer our IPO Shares;
- (o) any one of the Transaction Agreements (i) having been terminated or rescinded in accordance with its terms thereof; (ii) ceased to have any effect whatsoever, or (iii) varied or supplemented upon terms and such variation or supplementation would have or likely to have a Material Adverse Effect;
- (p) any of the resolutions or approvals referred to in Clauses 6.1(e) and (g) of the Retail Underwriting Agreement is revoked, withdrawn, suspended or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or is likely to have a Material Adverse Effect;
- (q) in the event our Listing is revoked, withdrawn or not procured or procured but subject to conditions not acceptable to the Managing Underwriter and Joint Underwriters or conditions for our Listing have not been fulfilled to the satisfaction of the relevant authority or waived by it;
- (r) if the SC or any other relevant authority issues an order pursuant to Malaysian laws such as to make it impracticable to market our IPO or to enforce contracts to allot and/or transfer our IPO Shares;
- (s) any statements contained in this Prospectus or the application form for the application of our IPO Shares under the Retail Offering accompanying this Prospectus (collectively, the “**Offer Documents**”) has become or been discovered to be incorrect, untrue, inaccurate or misleading in any respect or matters have arisen or have been discovered which would, if any of the Offer Documents were to be issued at that time, constitute a material omission therefrom which render the situation to be commercially impracticable or inadvisable to proceed with the offer, sale or delivery of our Issue Shares on the terms and in the manner contemplated in each Offer Document and the obligations under the Retail Underwriting Agreement being incapable of performance in accordance with its terms;
- (t) our Company or our Selling Shareholder, as applicable, are prohibited by any applicable laws from issuing or selling our IPO Shares pursuant to the terms of the Offer Documents, the Placement Agreement and the Retail Underwriting Agreement; or
- (u) any other event or series of events that, individually or in the aggregate, has had or is reasonably likely to have a Material Adverse Effect.

4. DETAILS OF OUR IPO (CONT'D)

4.7.2 Placement

We and the Selling Shareholder expect to enter into the Placement Agreement with the Placement Managers in relation to the placement of up to 797,500,000 IPO Shares under the Institutional Offering, subject to the clawback and reallocation provisions as set out in Section 4.1.3 of this Prospectus, respectively. We and the Selling Shareholder will be requested, on a several basis, to give various representations, warranties and undertakings, and to indemnify the Placement Managers against certain liabilities in connection with our IPO.

4.7.3 Lock-up arrangements

- (i) We have agreed that for a period beginning on and including the date of the lock-up agreement and ending on and including the date that is 6 months from the date of our Listing ("**Lock-Up Period**"), we will not, without the prior written consent of the Joint Bookrunners, directly or indirectly, conditionally or unconditionally:
- (a) issue, allot, offer, pledge, sell, contract to sell, assign, issue or sell or grant or agree to grant any option, right, warrant or contract to purchase, purchase any option or contract to sell, hypothecate or create any encumbrance over, lend or otherwise transfer or dispose of any Shares including any interest therein or in respect thereof (or any securities convertible into or exercisable or exchangeable for Shares or that are substantially similar to the Shares) including any Shares held in treasury that are now owned or hereafter acquired by our Company or with respect to which our Company has or hereafter acquires the power of disposition;
 - (b) enter into any swap, hedge or derivative or any other arrangement or agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequence of ownership of the Shares (or any securities convertible into or exercisable or exchangeable for Shares or any securities that represent the right to receive or are substantially similar to the Shares), whether any such swap or transaction described in paragraph (a) above or this paragraph (b) is to be settled by the delivery of the Shares or such other securities, in cash or otherwise;
 - (c) deposit any Shares (or any securities convertible into or exchangeable for, or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to, the Shares) in any depository receipt facilities;
 - (d) do or announce any intention to do any of the above or an offering or sale of any Shares (or any other securities exercisable or exchangeable for or convertible into or that represent the right to receive, or are substantially similar to, such Shares (or any interest therein or in respect thereof));
 - (e) save for such stabilising action required under the law, take any action which is designed to cause or to result in, or which constitutes or which would reasonably be expected to cause or result in stabilisation or manipulation of the price of the Shares; or
 - (f) offer to or agree to enter into or effect any transaction with the same economic effect as any transactions described in paragraphs (a) to (e) above.

For the avoidance of doubt, the restrictions set forth above shall not apply to (1) the issuance, offer and sale of any Shares by our Company pursuant to our IPO, and (2) the offer, transfer and sale of any Shares by the Selling Shareholder pursuant to our IPO.

4. DETAILS OF OUR IPO (CONT'D)

- (ii) The Selling Shareholder has agreed that during the Lock-Up Period, it will not, without the prior written consent of the Joint Bookrunners, directly or indirectly, conditionally or unconditionally:
- (a) offer, pledge, mortgage, charge, sell, contract to sell, assign, issue or sell or grant or agree to grant any option, right, warrant or contract to purchase, purchase any option or contract to sell, hypothecate or create any encumbrance over, lend or otherwise transfer or dispose of any Shares including any interest therein or in respect thereof (or any securities convertible into or exercisable or exchangeable for Shares or that are substantially similar to the Shares) whether now owned or acquired by the Selling Shareholder between the date of the lock-up agreement and the date of our Listing or with respect to which the Selling Shareholder has acquired or between the date of the lock-up agreement and the date of our Listing acquires the power of disposition ("**Lock-Up Shares**");
 - (b) enter into any swap, hedge or derivative or any other arrangement or agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequence of ownership of the Lock-Up Shares (or any securities convertible into or exercisable or exchangeable for Lock-Up Shares or any securities that represent the right to receive or are substantially similar to the Lock-Up Shares), whether any such swap or transaction described in paragraph (a) above or this paragraph (b) is to be settled by the delivery of the Lock-Up Shares or such other securities, in cash or otherwise;
 - (c) deposit any Lock-Up Shares (or any securities convertible into or exchangeable for, or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to, the Lock-Up Shares) in any depository receipt facilities;
 - (d) do or announce any intention to do any of the above or an offering or sale of any Lock-Up Shares (or any other securities exercisable or exchangeable for or convertible into or that represent the right to receive, or are substantially similar to, such Lock-Up Shares (or any interest therein or in respect thereof));
 - (e) save for such stabilising action required under the law, take any action which is designed to cause or to result in, or which constitutes or which would reasonably be expected to cause or result in stabilisation or manipulation of the price of the Shares; or
 - (f) offer to or agree to enter into or effect any transaction with the same economic effect as any transactions described in paragraphs (a) to (e) above.

In addition, the Selling Shareholder agreed that, for the Lock-Up Period, it will not, without the prior written consent of the Joint Bookrunners, issue new ordinary shares in the Selling Shareholder ("**Kulim Shares**") or otherwise cause the shareholding of JCorp and JCorp Capital in the Selling Shareholder to be diluted.

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4. DETAILS OF OUR IPO (CONT'D)

- (iii) JCorp and JCorp Capital, as the direct shareholders of the Selling Shareholder, severally and not jointly, have agreed that during the Lock-Up Period, they will not, without the prior written consent of the Joint Bookrunners, directly or indirectly, conditionally or unconditionally:
- (a) offer, pledge, mortgage, charge, sell, contract to sell, assign, issue or sell or grant or agree to grant any option, right, warrant or contract to purchase, purchase any option or contract to sell, hypothecate or create any encumbrance over, lend or otherwise transfer or dispose of any Kulim Shares including any interest therein or in respect thereof (or any securities convertible into or exercisable or exchangeable for Kulim Shares or that are substantially similar to the Kulim Shares) whether now owned or acquired by JCorp and JCorp Capital between the date of the lock-up agreement and the date of our Listing or with respect to which JCorp and JCorp Capital have acquired or between the date of the lock-up agreement and the date of our Listing acquires the power of disposition ("**Lock-Up Kulim Shares**");
 - (b) enter into any swap, hedge or derivative or any other arrangement or agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequence of ownership of the Lock-Up Kulim Shares (or any securities convertible into or exercisable or exchangeable for Lock-Up Kulim Shares or any securities that represent the right to receive or are substantially similar to the Lock-Up Kulim Shares), whether any such swap or transaction described in paragraph (a) above or this paragraph (b) is to be settled by the delivery of the Lock-Up Kulim Shares or such other securities, in cash or otherwise;
 - (c) deposit any Lock-Up Kulim Shares (or any securities convertible into or exchangeable for, or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to, the Lock-Up Kulim Shares) in any depository receipt facilities;
 - (d) do or announce any intention to do any of the above or an offering or sale of any Lock-Up Kulim Shares (or any other securities exercisable or exchangeable for or convertible into or that represent the right to receive, or are substantially similar to, such Lock-Up Kulim Shares (or any interest therein or in respect thereof)); or
 - (e) offer to or agree to enter into or effect any transaction with the same economic effect as any transactions described in paragraphs (a) to (d) above.

In addition, JCorp and JCorp Capital, severally and not jointly, agreed that, for the Lock-Up Period, it will not, without the prior written consent of the Joint Bookrunners, otherwise dilute their shareholdings in the Selling Shareholder.

In addition, JCorp Capital agreed that, for the Lock-Up Period, it will not, without the prior written consent of the Joint Bookrunners, issue new ordinary shares in JCorp Capital ("**JCorp Capital Shares**") or otherwise cause the shareholding of JCorp in JCorp Capital to be diluted.

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4. DETAILS OF OUR IPO (CONT'D)

- (iv) JCorp, as the sole shareholder of JCorp Capital, has agreed that during the Lock-Up Period, it will not, without the prior written consent of the Joint Bookrunners, directly or indirectly, conditionally or unconditionally:
- (a) offer, pledge, mortgage, charge, sell, contract to sell, assign, issue or sell or grant or agree to grant any option, right, warrant or contract to purchase, purchase any option or contract to sell, hypothecate or create any encumbrance over, lend or otherwise transfer or dispose of any JCorp Capital Shares including any interest therein or in respect thereof (or any securities convertible into or exercisable or exchangeable for JCorp Capital Shares or that are substantially similar to the JCorp Capital Shares) whether now owned or acquired by the JCorp between the date of the lock-up agreement and the date of our Listing or with respect to which JCorp has acquired or between the date of the lock-up agreement and the date of our Listing acquires the power of disposition (“**Lock-Up JCorp Capital Shares**”);
 - (b) enter into any swap, hedge or derivative or any other arrangement or agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequence of ownership of the Lock-Up JCorp Capital Shares (or any securities convertible into or exercisable or exchangeable for Lock-Up JCorp Capital Shares or any securities that represent the right to receive or are substantially similar to the Lock-Up JCorp Capital Shares), whether any such swap or transaction described in paragraph (a) above or this paragraph (b) is to be settled by the delivery of the Lock-Up JCorp Capital Shares or such other securities, in cash or otherwise;
 - (c) deposit any Lock-Up JCorp Capital Shares (or any securities convertible into or exchangeable for, or which carry rights to subscribe or purchase or that represent the right to receive or are substantially similar to, the Lock-Up JCorp Capital Shares) in any depository receipt facilities;
 - (d) do or announce any intention to do any of the above or an offering or sale of any Lock-Up JCorp Capital Shares (or any other securities exercisable or exchangeable for or convertible into or that represent the right to receive, or are substantially similar to, such Lock-Up JCorp Capital Shares (or any interest therein or in respect thereof)); or
 - (e) offer to or agree to enter into or effect any transaction with the same economic effect as any transactions described in paragraphs (a) to (d) above.

In addition, JCorp agreed that, for the Lock-Up Period, it will not otherwise cause the shareholding of JCorp in JCorp Capital to be diluted.

For the avoidance of doubt, the restrictions set forth in Sections 4.7.3(ii) to 4.7.3(iv) above shall not apply to (1) the issuance, offer and sale of any Shares by our Company pursuant to our IPO, (2) the offer, transfer and sale of any Shares by the Selling Shareholder pursuant to our IPO, (3) any allotment and issuance of new Kulim Shares by the Selling Shareholder to JCorp, JCorp Capital and/or their affiliates, and (4) any offer, transfer and sale of any Lock-Up Kulim Shares and/or any Lock-Up JCorp Capital Shares to an affiliate of the Selling Shareholder, JCorp or JCorp Capital provided that the prior approval of the SC and Bursa Securities is obtained and the transferee agrees in writing to be bound by the restrictions set forth in the lock-up agreement for the remainder of the Lock-Up Period.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Profiles of our Promoters and Substantial Shareholders

The profiles of our Promoter and Substantial Shareholder are as follows:

JCorp

Promoter and Substantial Shareholder

JCorp is a body corporate established on 18 May 1968 under the Johor Corporation Enactment 1968 (amended vide Enactment No. 5, 1995) as the principal development institution to drive socioeconomic growth in Johor. JCorp carries out investment holding activities, while its subsidiaries, associated companies and jointly controlled entities are principally involved in plantation and agrobusiness, healthcare and wellness services, real estate and infrastructure, quick service restaurants and investment holding.

Kulim

Promoter and Substantial Shareholder

Kulim was incorporated in Malaysia under the Companies Act 1965 on 3 July 1975 as a private limited company under the name of Kulim (Malaysia) Sdn Bhd and is deemed registered under the Act. Subsequently, Kulim was converted into a public limited company on 18 August 1975 and was listed on the Main Board of Kuala Lumpur Stock Exchange (now known as the Main Market of Bursa Securities) on 14 November 1975. Kulim was subsequently delisted on 4 August 2016 upon completion of the Privatisation of Kulim.

Kulim and its group of companies are principally involved in oil palm plantation (through our Group), agro farming, livestock as well as trading and support services.

As at the LPD, the issued share capital of Kulim is RM1,000,000 comprising 4,000,000 ordinary shares. The shareholders of Kulim and their respective shareholdings in Kulim as at the LPD are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
JCorp	3,853,286	96.3	⁽¹⁾ 146,714	3.7
JCorp Capital	146,714	3.7	-	-

Note:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in JCorp Capital.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.1.2 Shareholdings of our Promoters and Substantial Shareholders

The shareholdings of our Promoters and Substantial Shareholders in our Company before and after our IPO are as follows:

Name	As at the LPD / Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	(1)%	No. of Shares ('000)	(1)%	No. of Shares ('000)	(2)%	No. of Shares ('000)	(2)%
Kulim	2,036,000	100.0	-	-	1,625,000	65.0	-	-
JCorp	-	-	(3)2,036,000	100.0	-	-	(3)1,625,000	65.0

Notes:

- (1) Based on our total number of 2,036,000,000 Shares as at the LPD.
- (2) Based on our enlarged total number of 2,500,000,000 Shares after our IPO.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in Kulim.

Save as disclosed above, there are no other persons who directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is no arrangement between our Company and our shareholders with any third parties, the operation of which may at a subsequent date result in a change in control of our Company. Our Promoters and Substantial Shareholders also do not have different voting rights from our other shareholders.

5.1.3 Changes in the shareholdings of our Promoters and Substantial Shareholders

The changes in our Promoters' and Substantial Shareholders' shareholdings in our Company for the past 3 years preceding the LPD are as follows:

Name	As at 1 January 2020				As at (1)1 December 2022			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
Kulim	36,432	100.0	-	-	1,329,363	100.0	-	-
JCorp	-	-	(4)36,432	100.0	-	-	(4)1,329,363	100.0

Name	As at (2)6 December 2023				As at (3)24 April 2024 and up to the LPD			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
Kulim	1,502,000	100.0	-	-	2,036,000	100.0	-	-
JCorp	-	-	(4)1,502,000	100.0	-	-	(4)2,036,000	100.0

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Notes:

- (1) 1,292,930,794 new Shares were issued to Kulim on 1 December 2022 pursuant to the Pre-Listing Restructuring as set out in Section 6.1.4 of this Prospectus, resulting in our total number of issued Shares increasing to 1,329,362,794.
- (2) 172,636,978 new Shares were issued to Kulim on 6 December 2023 pursuant to the Capitalisation as set out in Section 6.1.5 of this Prospectus, resulting in our total number of issued Shares increasing to 1,501,999,772.
- (3) We had on 24 April 2024 completed the Share Split as set out in Section 6.1.6 of this Prospectus.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in Kulim.

5.1.4 Amounts or benefits paid to our Promoter and Substantial Shareholders

Save for the issuance of our Shares as consideration pursuant to the Pre-Listing Restructuring and Capitalisation as disclosed in Sections 6.1.4 and 6.1.5 of this Prospectus respectively, and the dividends paid by us as disclosed in Section 12.6 of this Prospectus, there are no other amounts or benefits that have been paid or intended to be paid to our Promoters and Substantial Shareholders within the 2 years preceding the date of this Prospectus.

5.2 BOARD OF DIRECTORS

Our Board acknowledges and takes cognisance of the MCCG, which contains recommendations to improve upon or to enhance corporate governance as an integral part of the business activities and culture of such companies. Our Board is also committed to achieving and sustaining high standards of corporate governance.

The date of expiration of the current term of office for each of our Directors and the period for which our Directors have served in that office as at the LPD are as follows:

Director	Date of expiration of the current term of office	No. of years in office up to the LPD
Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar	Subject to retirement at the Annual General Meeting ("AGM") in 2025	1 year
Mohd Faris Adli Bin Shukery	Not subject to retirement by rotation	Approximately 3 years
Dato' Sr. Hisham Bin Jafrey	Subject to retirement at the AGM in 2027	1 year
Shamsul Anuar Bin Abdul Majid	Subject to retirement at the AGM in 2027	1 year
Abdullah Bin Abu Samah	Subject to retirement at the AGM in 2025	1 year
Fawzi Bin Ahmad	Subject to retirement at the AGM in 2027	1 year
Mohd Fazillah Bin Kamaruddin	Subject to retirement at the AGM in 2025	1 year
Vinie Chong Pui Ling	Subject to retirement at the AGM in 2026	1 year
Ong Li Lee	Subject to retirement at the AGM in 2026	1 year
Norita Binti Ja'afar	Subject to retirement at the AGM in 2026	1 year

Save for Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar, Dato' Sr. Hisham Bin Jafrey and Shamsul Anuar Bin Abdul Majid who are the nominee directors of JCorp, none of our other Directors represent any corporate shareholder on our Board.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

All our Directors retired from office in accordance with our Constitution and were re-elected at our 1st AGM held on 30 June 2023. At every AGM of our Company, one-third of our Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office and be eligible for re-election, provided always that all Directors, excluding our Managing Director, shall retire from office at least once in every three years. A retiring Director shall be eligible for re-election. A Director retiring at a meeting shall retain office until the conclusion of the meeting.

5.2.1 Profiles of our Directors

Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar

Non-Independent Non-Executive Chairman

Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar, a Malaysian aged 64, is our Non-Independent Non-Executive Chairman. He was appointed to our Board on 1 March 2023.

Dr. Ismail graduated with a Bachelor of Economics in Applied Economics from the University of Malaya, Malaysia in 1983 and obtained a Diploma in Public Management from the National Institute of Public Administration (INTAN), Malaysia in 1986. Subsequently, he obtained a Master of Business Administration in Business Administration (Project Based) and Doctor of Philosophy in Politics from the University of Hull, United Kingdom in 1996 and 2005 respectively.

Dr. Ismail began his career with the Ministry of Finance, Malaysia, as the Assistant Secretary in the Contract and Supply Division in 1983, where he oversaw the implementation of policies related to the procurement of contracts for the Ministry of Defence. In 1986, he left the Ministry of Finance and joined the Anti Narcotics Task Force as the Assistant Director, where he participated in all aspects of anti-narcotics activities and collaborated with various agencies and private organisations in drug control.

Dr. Ismail left the Anti Narcotics Task Force and returned to the Ministry of Finance in 1990 as the Assistant Secretary in the External Trade and Balance of Payment Section of the Economic and International Division, where he represented Malaysia in meetings, dialogues and forums to improve international relations. In 1992, he was transferred to the Capital Market, Money Market and Banking Section, holding the same position as the Assistant Secretary, and was responsible for monitoring the monetary and financial condition of the country.

He was subsequently promoted as the Principal Assistant Secretary in the Public Finance Section in 1995, where he was responsible for formulating fiscal policies to regulate finance of the government. Between 2000 to 2003, Dr. Ismail pursued doctoral studies in the United Kingdom, and upon completing his doctoral studies, he re-joined the Government Procurement Division (previously known as the Contract and Supply Division) of the Ministry of Finance as the Head of Planning, Research and Policy, where he oversaw the implementation of policies related to the procurement of contracts for the public sector.

In 2006, he took on the position as the Head of Information Technology section within the Government Procurement Division of the Ministry of Finance, where his responsibilities included overseeing the procurement of works, supplies and services to support government programmes, implementing procurement policies relating to information technology, and served as a member of the Procurement Board.

Between 2008 to 2010, he was seconded to the World Bank in Washington DC, United States, serving as the Senior Advisor to Executive Director (South East Asia Group) and a member of the audit and budget committee, where his responsibilities included advising on governance and operations.

Dr. Ismail subsequently returned to Malaysia in November 2010 and joined the Ministry of Defence in January 2011 as the Deputy Secretary General (Policy), where he was primarily responsible for formulating and implementing defence policies and promoting the defence industry to private sector.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Dr. Ismail left the Ministry of Defence and re-joined the Ministry of Finance in 2013 as the Director of the National Strategic Unit, where he played a vital role in implementing the National Blue Ocean Strategy, an initiative aimed at improving the processes involved in implementing government policies and maximising the use of existing resources in the ministries. In 2014, he was appointed as the Director of National Budget under the National Budget Office, where he oversaw the formulation of budget strategies and was responsible for budget allocation to all ministries and agencies within the government.

In the same year, he left the Ministry of Finance and joined the Ministry of Transport as the Secretary General, where he was involved in formulating transport policies and implementing transport strategies for the land, air and sea transport in the country. Thereafter, Dr. Ismail left the Ministry of Transport and joined the Ministry of Agriculture and Agro-based Industry (now known as Ministry of Agriculture and Food Security) as the Secretary General from 2015 to 2018, and was responsible for formulating and implementing policies for agro-food and food security in the country. In 2018, Dr. Ismail re-joined the Ministry of Finance as the Secretary General of Treasury, where he oversaw the formulation and implementation of fiscal policies for the economy. In the same year, he was appointed as the Chief Secretary to the Government of Malaysia under the Prime Minister Department, where he acted as the secretary to the Cabinet until December 2019. He then retired in January 2020.

Dr. Ismail has been the Pro-Chancellor of Universiti Pendidikan Sultan Idris since September 2023. He is the Chairman/Non-Independent Non-Executive Director of KPJ (listed on the Main Market of Bursa Securities) since April 2024, Chairman/Independent Non-Executive Director of Bank Islam Malaysia Berhad (listed on the Main Market of Bursa Securities) since August 2020 and is also a Deputy Chairman of JCorp since April 2022. In February 2024, he was appointed as the Chairman of the Enforcement Agency Integrity Commission established under the Enforcement Agency Integrity Commission Act 2009 which aims to instil and improve integrity among law enforcement officers and enforcement agencies.

As at the LPD, he is also a director of several private limited companies as disclosed in Section 5.2.3 of this Prospectus.

Mohd Faris Adli Bin Shukery *Managing Director*

Mohd Faris Adli Bin Shukery, a Malaysian aged 52, is our Managing Director. He was appointed to our Board on 1 August 2021.

Mohd Faris graduated with a Bachelor of Laws from Sheffield Hallam University, United Kingdom in 1995. He obtained his Master of Laws in International and Commercial Law from the University of Sheffield, United Kingdom in 1997.

Mohd Faris began his career at the Kuala Lumpur Stock Exchange under the Strategy and Development Division in 1997 as the Strategic Planning Officer, where he focused on, among others, research and analysis on securities industry and capital markets. He was promoted to the position of the Manager in 2003 before he left the Kuala Lumpur Stock Exchange to join AmMerchant Bank Berhad (now known as AmInvestment Bank) in the same year as the Manager in the Group Compliance Department, overseeing compliance related matters.

In 2005, Mohd Faris joined Kumpulan Guthrie Berhad, a plantation and property development company which was then listed on the Main Board of Bursa Securities, as Manager in the Corporate Planning and Strategic Development Department, where he was involved in matters relating to business development and planning, corporate strategy and corporate finance, investor relations and project management.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Following the merger of Kumpulan Guthrie Berhad with Golden Hope Plantations Berhad and Sime Darby Berhad in 2007, Mohd Faris joined Sime Darby Property Berhad in December 2007 as the Vice President in the Corporate and Business Development Department, where he oversaw the corporate communications and business development units. In 2008, Mohd Faris joined Sime Darby Plantation Sdn Bhd (now known as Sime Darby Plantation Berhad) as the Vice President in the Upstream Department, where he was involved in the evaluation and negotiation of new business development opportunities for the company.

In 2013, Mohd Faris was appointed as the Head of Sime Darby Foods & Beverages Marketing Sdn Bhd (“**SDFBM**”) to lead the restructuring and turnaround of the company. While still holding his position at SDFBM, he was also appointed as the Head of Sime Darby Agri Bio Sdn Bhd (“**SDAB**”) in 2014, where he oversaw the sale and supply of fertilisers, agricultural products and tools.

In 2016, Mohd Faris ceased his positions held in both SDFBM and SDAB, and took on various roles within the Sime Darby Plantation Berhad group’s downstream operations until 2018. His last position in the downstream sector was the Head of Customer Solutions at SDFBM, where he was responsible for supervising the sales and marketing of processed and packaged palm oil products. In 2019, he was reassigned to Sime Darby Plantation (Sabah) Sdn Bhd as the Regional Chief Executive Officer, Sabah Region (Upstream Malaysia), where he was responsible for overseeing the upstream palm oil business and operations of the group in Sabah. He left the company in 2020.

Mohd Faris was appointed as the Managing Director of Kulim in 2020, where he was primarily responsible for spearheading the agribusiness of JCorp that was housed under Kulim, comprising palm oil plantation operations, agro farming and livestock. Following the internal reorganisation in 2022 to consolidate all plantation assets and businesses of Kulim under our Company, Mohd Faris was redesignated as the Non-Independent Non-Executive Director of Kulim in March 2023, to focus on his role as our Managing Director. In his capacity as our Managing Director, Mohd Faris has been instrumental in implementing comprehensive business plans to chart our business performance and future growth.

As at the LPD, save for his existing directorship in Kulim, he does not hold any other Present Directorships (as defined in Section 5.2.3 of this Prospectus) and is not involved in any other business outside our Group. Further information on the Past Directorships (as defined in Section 5.2.3 of this Prospectus) of Mohd Faris is disclosed in Section 5.2.3 of this Prospectus.

Dato’ Sr. Hisham Bin Jafrey

Non-Independent Non-Executive Director

Dato’ Sr. Hisham Bin Jafrey, a Malaysian aged 66, is our Non-Independent Non-Executive Director. He was appointed to our Board on 1 March 2023.

Dato’ Sr. Hisham graduated with a Bachelor of Science in Quantity Surveying from Leeds Polytechnic (now known as Leeds Beckett University), United Kingdom, in 1983.

Dato’ Sr. Hisham began his career as a quantity surveyor in the United Kingdom with Harlow and Milner Limited, a building and civil engineering contractor, in 1981. Upon returning to Malaysia in 1983, he joined Antara Constructions Sdn Bhd, a building contractor, where he was involved in various development projects. He left the company in August 1983 and became a lecturer at Universiti Teknologi Malaysia from December 1983 until 1987.

In 1988, Dato’ Sr. Hisham incorporated Azhar Rouse & Hisham Sdn (now known as ARH Jurukur Bahan Sdn Bhd), a company involved in the provision of quantity surveying consultancy services, with his business partner. Dato’ Sr Hisham has been a director and shareholder of the company since its incorporation, and was redesignated as the Managing Director in 1994, a position he continues to hold today.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Throughout his career, Dato' Sr. Hisham had been appointed as an external examiner and sat on the industrial advisory panel for quantity surveying programme at various universities in Malaysia.

He is a member of the Royal Institution of Chartered Surveyors and a fellow of the Royal Institution of Surveyors Malaysia since 2007 and 2008 respectively. Presently, he is also a member of the Board of Quantity Surveyors Malaysia and sits on its Ethics Committee as the Chairman.

Dato' Sr. Hisham is the Independent Non-Executive Director of Cement Industries of Malaysia Berhad and JCorp since September 2019 and May 2020 respectively.

As at the LPD, he is also a director of several private limited companies as disclosed in Section 5.2.3 of this Prospectus.

Shamsul Anuar Bin Abdul Majid

Non-Independent Non-Executive Director

Shamsul Anuar Bin Abdul Majid, a Malaysian aged 53, is our Non-Independent Non-Executive Director. He was appointed to our Board on 1 March 2023.

Shamsul Anuar graduated with a Bachelor of Science in Chemistry from Imperial College London, United Kingdom, in 1994 and obtained his Master of Business Administration (Islamic Finance) from the International Islamic University Malaysia in 2000. He is a Chartered Financial Analyst charterholder with the CFA Institute since 2002.

Shamsul Anuar began his career as the Planning Analyst with Shell Malaysia in 1994, where he was involved in, among others, appraising the economic performance of invested assets and performing budget analysis. He left Shell Malaysia in 1999 to join Boston Consulting Group Sdn Bhd, a company specialised in strategy management consultancy, as the Energy Sector Specialist, during which he had the opportunity to analyse and develop business strategies for several multinational companies. He left the consulting firm in 2001 and took a career break.

In 2004, he joined Grenland Nusantara Sdn Bhd, a Malaysian subsidiary of a Norwegian company that provides industrial solutions to the oil and gas industry, as the Vice President of Finance and Special Projects. In this role, he primarily oversaw the business development and financial matters involving the Malaysian subsidiary.

Shamsul Anuar left Grenland Nusantara Sdn Bhd in 2007 and joined Iskandar Investment Berhad, an investment holding company incorporated to catalyse the strategic development of Iskandar Malaysia, as Executive Vice President of Strategy and Feasibility Division, where he was responsible for, among others, managing and monitoring projects and activities undertaken by the company, handling land matters involving the company and conducting market research.

In 2011, Shamsul Anuar joined Iskandar Waterfront Holdings Sdn Bhd, an investment holding company with key subsidiaries serving as master developers of waterfront land in Johor Bahru, as the Special Officer to Managing Director, where his role included acting as a liaison between the Managing Director and internal and external stakeholders, monitoring the company's cross-planning and performance management processes.

Shamsul Anuar left Iskandar Waterfront Holdings Sdn Bhd in 2014 and co-founded Fikiran Sepakat Sdn Bhd, a boutique consulting company, with his business partner in 2015, where he was appointed as the Director and Principal Partner of the company and was responsible for the operations of the company.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 2017, Shamsul Anuar ceased his directorship and disposed of all his equity interest in Fikiran Sepakat Sdn Bhd (which was then dissolved in 2022) and joined JCorp as the General Manager, focusing primarily on business research and development. Currently, he is the Chief Investment Officer of JCorp, a position he has held since 2020, where he is primarily responsible for the investments and strategies of the JCorp Group, with a focus on strategy planning, portfolio management and monitoring as well as business rehabilitation.

Shamsul Anuar is the Non-Independent Non-Executive Director of Damansara REIT Managers Sdn Berhad, KPJ (listed on the Main Market of Bursa Securities) and QSR Brands (M) Holdings Berhad since 2020 and Kulim since 2023. He is also the Non-Independent Non-Executive Director of Al-'Aqar Healthcare REIT and Al-Salam Real Estate Investment Trust (both listed on the Main Market of Bursa Securities and being managed by Damansara REIT Managers Sdn Berhad), since 2020.

As at the LPD, he is also a director of several private limited companies as disclosed in Section 5.2.3 of this Prospectus.

Abdullah Bin Abu Samah

Independent Non-Executive Director

Abdullah Bin Abu Samah, a Malaysian aged 59, is our Independent Non-Executive Director. He was appointed to our Board on 1 March 2023.

Abdullah graduated with a Bachelor of Science in Business Administration from the University of the Pacific, United States in 1986 and obtained his Master of Business Administration from the University of Washington, United States in 1988. He is a member of the Malaysian Association of Certified Public Accountants (now known as the Malaysian Institute of Certified Public Accountants) and the Malaysian Institute of Accountants since 1996 and 2001 respectively.

Abdullah began his career at KPMG PLT as the Audit Assistant in the audit division in 1988 and rose through the ranks to become the Partner in 1997 where he served until his retirement in 2020. He has over 32 years of experience in providing financial auditing services to clients from various industries, including multinational companies, and has led numerous audit assignments, including financial due diligence reviews on target companies under acquisition exercises. During his tenure with KPMG PLT, he was seconded to KPMG's London office for approximately 2 years, where he provides financial auditing services to the financial services sector. He also served as a member of the Executive Committee of KPMG PLT from 2014 to 2018, undertaking the role as the Head of Markets, where he oversaw market activities carried out by KPMG PLT.

Abdullah is the Independent Non-Executive Director of Media Prima Berhad (listed on the Main Market of Bursa Securities) and the Independent Non-Executive Director of Damansara REIT Managers Sdn Berhad, Al-'Aqar Healthcare REIT and Al-Salam Real Estate Investment Trust (both listed on the Main Market of Bursa Securities and being managed by Damansara REIT Managers Sdn Berhad), since 2021.

As at the LPD, he is also a director of several private limited companies as disclosed in Section 5.2.3 of this Prospectus.

Fawzi Bin Ahmad

Independent Non-Executive Director

Fawzi Bin Ahmad, a Malaysian aged 71, is our Independent Non-Executive Director. He was appointed to our Board on 1 March 2023.

Fawzi obtained his Malaysian Higher School Certificate from the English College Johore Bahru (also known as Maktab Sultan Abu Bakar) in 1973. He is a member of The Incorporated Society of Planters since 1974.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Fawzi began his career with Kulim in 1974, where he was posted to Ulu Tiram Estate as the Probationary Assistant Manager, assisting in the management of the central division of the estate for a short stint before he was transferred to Ulu Tiram Manufacturing Company Ltd (subsequently known as UTMC), a subsidiary of Kulim, in the same year as the Assistant Manager. He was responsible for managing the production of rubber, including the coordination of rubber shipments worldwide. In 1979, Fawzi attended the Business Management School at the Asian Institute of Management, Philippines, but was called back to Malaysia in 1980 before completion of his studies to manage the dismantling and transfer of key machineries from New Zealand to Ulu Tiram, Johor.

In 1981, Fawzi was re-assigned to Kulim, where he was tasked to convert the rubber plantation at Ulu Tiram Estate to an oil palm plantation. Between 1984 to 1988, Fawzi took on various roles and responsibilities in Kulim, ranging from serving as the Assistant-in-Charge to the Senior Manager, where his responsibilities included managing the Pasak Estate located at Kota Tinggi, Johor, as well as developing an estate owned by Yayasan Pelajaran Johor (“YPJ”), where the development works involved initial clearing, nurseries, planting and establishment of infrastructure on the estate.

In 1989, Fawzi was transferred to Eastern Plantation Agency (Johore) Sdn Bhd (now known as EPA Management), a subsidiary of Kulim, where he was appointed as the Manager, responsible for managing Ulu Tiram Estate and the operation of UTMC.

In 1990, Fawzi left EPA Management and joined Austral Enterprises Berhad (“AEB”), a subsidiary of Island & Peninsular Berhad, as the Manager of Kerdu Estate in Pahang, where he was responsible for the day-to-day operations of the estate, before his appointment as the Planting Advisor in 1991, where his responsibility shifted to an advisory role. During his tenure with AEB, he provided plantation advice and conducted survey for estates owned by AEB in Sarawak.

He left AEB in 1991 and was appointed by YPJ as the Manager to spearhead the plantation division of YPJ, to ensure that the estates of YPJ are properly managed and income generating. During his tenure with YPJ from 1991 to 1998, he was involved in establishing and developing several oil palm plantation estates in Johor and an estate in Sumatra, Indonesia. He was also involved in the construction of a golf club in an estate owned by YPJ and managed the golf club’s operations thereafter.

During his employment with YPJ, Fawzi was appointed as the Commissioner of PT Agritasari Prima, a related company of YPJ, in 1995. His responsibilities included overseeing the company’s management, ensuring transparency, promoting good governance and protecting the interests of stakeholders. In the same year, he was appointed as the Executive Director of YPJ Plantation Management Sdn Bhd, a company principally involved in plantation management and advisory services, in which he held 51% equity interest in the company. He resigned from these positions in 2007 and 2005 respectively, and disposed of his entire equity interest in YPJ Plantation Management Sdn Bhd following his resignation.

Prior to his retirement in 2013, Fawzi served as the Planting Advisor to YPJ Plantations Sdn Bhd from 2007 to 2012, advising the company on all aspects of operations of oil palm plantation. After his retirement, Fawzi was engaged on an ad hoc basis between 2018 and 2021 to provide plantation advisory services to Sime Darby Plantation Berhad.

As at the LPD, he is also the director of a private limited company as disclosed in Section 5.2.3 of this Prospectus.

Mohd Fazillah Bin Kamaruddin
Independent Non-Executive Director

Mohd Fazillah Bin Kamaruddin, a Malaysian aged 66, is our Independent Non-Executive Director. He was appointed to our Board on 1 March 2023.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Mohd Fazillah graduated with a Bachelor of Economics (Analytical Economics) from Universiti Malaya, Malaysia, in 1981. He obtained a Diploma from the Association of International Bond Dealers (now known as the International Capital Market Association), Switzerland in 1986. He is also a Capital Markets Services Representative's Licence holder attached to UOB Kay Hian Securities (M) Sdn Bhd.

Mohd Fazillah began his career with Bank Bumiputera (M) Berhad ("**BBMB**") where he was attached to the Department of Financing and Investment under the International Banking Affairs Division in 1981 as the Executive Officer, where he was involved in managing foreign investments of BBMB.

In 1984, he was transferred to BBMB's office in London, United Kingdom, to manage the London office's investment portfolio. Subsequently in 1989, Mohd Fazillah was transferred to BBMB's office in New York, United States to manage its investment portfolio and had successfully rectified operational issues encountered by the bank.

In 1991, Mohd Fazillah was assigned to BBMB Securities Sdn Bhd ("**BBMB Securities**") as the Manager, where he was responsible for managing BBMB Securities' local investment portfolio. He resigned from BBMB Securities in 1994 and joined K&N Kenanga Sdn Bhd ("**K&N Kenanga**") in the same year as the Senior Dealer, where he was responsible for promoting investment products to institutional and corporate clients.

Mohd Fazillah left K&N Kenanga and joined Charles Bradburne & Co (1930) Sdn Bhd (subsequently known as MGI Securities Sdn Bhd) in 1996 as the General Manager of Institutional Sales in the Trading Division, overseeing all matters relating to institutional and international clients. He left the company in 1998 and opted for an early retirement.

In 2010, Mohd Fazillah was a director of several private limited companies. Among others, he was the Chief Executive Officer of TJ Olland Services Sdn Bhd, a company principally engaged in painting, coating and blasting for offshore facilities, where he oversaw the day-to-day operations of the company. At the same time, he also served as the Advisor to Apex Energy Sdn Bhd, a company principally involved in engineering, procurement, construction and commissioning for oil and gas industries, where he advised on the procurement of projects undertaken by the company. He resigned from these positions by 2017.

As at the LPD, he is also a director of a private limited company as disclosed in Section 5.2.3 of this Prospectus.

Vinie Chong Pui Ling

Independent Non-Executive Director

Vinie Chong Pui Ling, a Malaysian aged 46, is our Independent Non-Executive Director. She was appointed to our Board on 1 March 2023.

Vinie Chong graduated with a Bachelor of Commerce (Major in Finance) from the University of Melbourne, Australia in 2000. She is a Chartered Financial Analyst charterholder with CFA Institute since 2014. She is also a member of CPA Australia and the Malaysian Institute of Accountants since 2019 and 2022 respectively.

She started her career in 2001 as the Payment Officer with Deutsche Bank Malaysia, where she processed payment instructions. In 2002, she joined Apex Investment Services Berhad, an asset management firm, as the Executive, where she was involved in product development, training and marketing. Vinie Chong then joined 2 boutique financial advisory firms, namely Arcap Insef Limited and Pure Real Estate Consultancy Free Zone Establishment, where she provides project and financing advisory services to companies in Malaysia and the Middle East region in 2003. In 2007, she joined Efficient E-Solutions Berhad group as the Manager, overseeing corporate finance, business advisory, investment and cross-functional initiatives.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

She left Efficient E-Solutions Berhad in 2009 and joined Malaysia Airports Holdings Berhad in 2010 as Manager of Corporate Finance & Business Advisory of the group, where she was responsible for corporate finance and fundraising transactions. She was then appointed as the General Manager of Corporate Finance, Treasury & Investor Relations in 2014, overseeing investment and finance strategy, and was instrumental in the fundraising and investment transactions of the group.

Vinie Chong left Malaysia Airports Holdings Berhad and joined Astro Productions Sdn Bhd in 2016 as the Chief Financial Officer, responsible for the overall financial management of the company. In 2017, she took up a commercial and strategy role as the Vice President of Commercial and Strategy, where she led the company's strategic and business initiatives until 2018.

In 2019, she started her own boardgame café business with her business partner under Epic Reroll Sdn Bhd, in which she is a director and shareholder of the company.

In 2020, she joined Cenergi SEA Berhad, a subsidiary of Khazanah Nasional Berhad, which provides sustainable and renewable energy solutions to reduce carbon emissions, as the Group Chief Financial Officer with primary responsibilities in the financial management and operations of the group, including financial reporting, tax, business control, strategy, treasury and corporate finance.

Vinie Chong left Cenergi SEA Berhad and joined LEG Sdn Bhd, a subsidiary of HNG Capital Sdn Bhd, as Chief Investment Officer cum Head of Investor Relations in 2022. She was then transferred to Leader Energy Holding Berhad as Chief Investment Officer cum Head of Investor Relations in January 2023, where she was responsible for strategising and managing investment transactions and investor relations program for the group. She left Leader Energy Holding Berhad in February 2024 to pursue other career opportunities.

Vinie Chong has extensive experience in investment and fundraising exercises, which have won numerous prestigious awards from the esteemed RAM Rating, Euromoney, Triple A Asset Award, International Financing Review and Alpha Southeast Asia for best transactions and innovation in finance. She was named the Best Investor Relations Professional for Transportation Sector in Asia (sell side) and Best Investor Relations Professional for Industrial Sector in Asia (sell side) by Institutional Investor All-Asia Executive Team in 2013 and 2015 respectively.

As at the LPD, she is also a director of a private limited company as disclosed in Section 5.2.3 of this Prospectus.

Ong Li Lee

Independent Non-Executive Director

Ong Li Lee, a Malaysian aged 64, is our Independent Non-Executive Director. She was appointed to our Board on 1 March 2023.

Li Lee obtained Advanced Levels in General Principles of English Law and Economics from Mid-Gloucestershire Technical College, United Kingdom in 1980 and 1981 respectively, and went on to London School of Accountancy, United Kingdom in 1985 to complete her General and Financial Administration course of the Institute of Chartered Secretaries and Administrators. She was admitted as an Associate of the Institute of Chartered Secretaries and Administrators in 1989.

Li Lee began her career as Semi-Senior with an accounting firm, Butters & Company, United Kingdom in 1986, where she performed auditing functions and prepared accounts and regulatory documents. She left the firm in 1989 and returned to Malaysia to join TAMS Secretarial Services Sdn Bhd as Company Secretarial Assistant, where she acted as company secretary for several companies.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 1990, Li Lee joined the Kuala Lumpur Commodity Exchange (“**KLCE**”) as Assistant Company Secretary, handling matters pertaining to disputes between retail investors and brokers, and assisting the Deputy Chief Executive Officer in the administration of the KLCE. She resigned from KLCE in 1993 and joined UTSB Management Sdn Bhd, a company involved in the provision of management and consultancy services, as Assistant Company Secretary, where she managed a team of secretarial assistants and acted as secretary for various companies.

Li Lee left UTSB Management Sdn Bhd in 1994 and joined Kuala Lumpur Stock Exchange as Senior Officer of Market Development, where she was involved in, among others, conducting research and analysis for the introduction and development of trading instruments and services of the stock exchange as well as coordinating investor education programmes to promote a better understanding of the Malaysia securities industry. She rose through the ranks to become Head of Brand Management under the Group Business Development division in 2004, where she oversaw the international affairs of the exchange and its relationship with other regulatory authorities. In the following year, she was appointed as Head, Research and External Affairs under the Finance and Strategy division, where she continued focusing on product research and development and coordinating investor education programmes, and she worked closely with the Group Strategic Planning Division in formulating and developing various strategies and initiatives for the exchange.

Li Lee was appointed as the Head of Sales and Marketing under the Information Services division in 2006, where she was responsible for the sales and marketing of the exchange’s market data which included equities, derivatives, bond and market indices of the exchange. She was subsequently promoted to Head of Information Services in 2010, where in addition to her existing responsibilities, she also oversaw product development and the management of indices. In 2016, Li Lee was promoted to Director of Securities Market, where she was responsible for overseeing the entire business function of the securities market on the exchange to ensure continuous development, supply and aggregation of tradable alpha and beta products.

In 2017, Li Lee took on an advisory role, where she provided executive-level support to the Chief Executive Officer of Bursa Securities and was responsible for, among others, high-profile projects with direct impact on core operations and processes of Bursa Securities, as well as directing, coordinating and facilitating the implementation and management of key strategic initiatives.

In 2018, Li Lee left Bursa Securities and joined EquitiesTracker International Sdn Bhd (a subsidiary of EquitiesTracker Holdings Berhad, which is listed on the LEAP market of Bursa Securities) as Advisor to EquitiesTracker Holdings Berhad and its group of companies, where she advised on strategic planning, human resources, legal and communication matters of the group. She left EquitiesTracker International Sdn Bhd in May 2024.

As at 31 May 2024, she does not hold any Present Directorships and is not involved in any other business outside our Group, save for her shareholding in EquitiesTracker Holdings Berhad. Further information on her Past Directorships is disclosed in Section 5.2.3 of this Prospectus.

Norita Binti Ja’afar

Independent Non-Executive Director

Norita Binti Ja’afar, a Malaysian aged 52, is our Independent Non-Executive Director. She was appointed to our Board on 1 March 2023.

Norita graduated with a Bachelor of Arts in Economics from the University of Nottingham, United Kingdom in 1994 and obtained her Master of Science in Fiscal Studies from the University of Bath, United Kingdom in 1995. She is a member of the Association of Climate Change Officers.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Norita began her career with Arthur Anderson HRM Sdn Bhd as Tax Consultant in 1995, where she was involved in tax advisory and compliance work. Between 1997 to 1999, Norita joined KAF group of companies and later Fima Securities Sdn Bhd, both as Financial Analyst, where she was involved in analysing the trading of securities. She was promoted to Vice President of Research in Fima Securities Sdn Bhd in 1999, where she continued undertaking similar responsibility, but with an additional supervisory role.

In 2000, she left Fima Securities Sdn Bhd and joined Sal's Food Industries Sdn Bhd ("**SFISB**"), a company involved in the manufacturing, marketing and distribution of food products, as Managing Director. During her tenure with SFISB, she oversaw fundraising exercises and formulated strategic plans to enhance SFISB's relationships with its foreign counterparts. She left SFISB in 2011 and took a career break until 2014.

In 2014, Norita was appointed as Chief Operating Officer of the Malaysian Global Innovation & Creativity Centre, an entity under the Ministry of Finance mandated to enhance global entrepreneurship for the nation, a position she held until November 2016. She played a crucial role in driving behavioural transformation and institutional shift aimed at fostering a new ecosystem for digital startups.

In 2017, Norita was appointed as Chief Executive Officer of Innovative Associates Solutions Sdn Bhd, a corporate digital advisory and consultancy company, where she was responsible for overseeing the execution of business plans and strategies, and the development of new business opportunities. She left the company in 2019 and joined TFX Global Sdn Bhd, a fintech company that provides cross-border supply chain finance platform to facilitate international trade, as Chief Executive Officer. During her tenure with TFX Global Sdn Bhd, she successfully introduced an Islamic Shariah Trade Receivables technology platform for the company which promotes and ensure that trade and financing transactions are compliant with Shariah principles. In May 2021, she took on an advisory role in the company as the Senior Advisor until September 2021.

In January 2022, Norita founded Kitaran Tabah Sdn Bhd with her business partners, an ESG company that specialises in decarbonisation projects, where she helps to drive large scale nature-based projects through consultation, development, generation and sales of carbon credit. Through Kitaran Tabah Sdn Bhd, Norita has contributed in the development of blue carbon methodology for an international standard with a Voluntary Carbon Certification programme that facilitates and guarantees the registration of climate change mitigation programmes or projects.

As at the LPD, she is the director of several private limited companies as disclosed in Section 5.2.3 of this Prospectus. She is the Independent Non-Executive Director of Cypark Resources Berhad (listed on the Main Market of Bursa Securities) since January 2024.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.2 Directors' shareholdings

Before our IPO, our Directors do not have any shareholding in our Company. The shareholdings of our Directors after our IPO (assuming full subscription of our IPO Shares reserved for our Directors under the Pink Form Allocations) are as follows:

Name	As at the LPD / Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	(1)%	No. of Shares ('000)	(1)%
Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar	-	-	-	-	416	*	-	-
Mohd Faris Adli Bin Shukery	-	-	-	-	769	*	-	-
Dato' Sr. Hisham Bin Jafrey	-	-	-	-	566	*	-	-
Shamsul Anuar Bin Abdul Majid	-	-	-	-	1,037	*	-	-
Abdullah Bin Abu Samah	-	-	-	-	400	*	-	-
Fawzi Bin Ahmad	-	-	-	-	300	*	-	-
Mohd Fazillah Bin Kamaruddin	-	-	-	-	300	*	-	-
Vinie Chong Pui Ling	-	-	-	-	300	*	-	-
Ong Li Lee	-	-	-	-	500	*	-	-
Norita Binti Ja'afar	-	-	-	-	500	*	-	-

Notes:

* Less than 0.1%.

(1) Based on our enlarged total number of 2,500,000,000 Shares after our IPO.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.3 Directorships and principal business activities outside our Group

The following table sets out the principal directorships as at the LPD (“**Present Directorships**”) of our Directors and those which were held within the past 5 years up to the LPD (“**Past Directorships**”), as well as their involvement in principal business activities outside our Group for the past 5 years up to the LPD:

(i) Tan Sri Dato’ Sri Dr. Ismail Bin Haji Bakar

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
Present Directorships						
• Anjung Cahaya Automobil Sdn Bhd	Car dealer, trading, buying and selling new and used motor vehicles	Director and shareholder	8 January 2021	-	30.0%	-
• Bank Islam Malaysia Berhad (listed on the Main Market of Bursa Securities)	Islamic banking business and the provision of related services	Chairman/ Independent Non-Executive Director	1 August 2020	-	-	-
• Grand Sahara (Pahang) Sdn Bhd	Principally involved in construction of toll highway	Director and indirect shareholder	20 June 2022	-	-	25.0% ⁽¹⁾
• Great Food Sdn Bhd	Restaurants, supermarket, export and import of a variety of goods	Director and shareholder	1 March 2023	-	60.0%	-
• JCorp	Investment holding activities, while its subsidiaries, associated companies and jointly controlled entities are principally involved in plantation and agrobusiness, healthcare and wellness services, real estate and infrastructure, quick service restaurants and investment holding	Deputy Chairman	1 April 2022	-	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
<ul style="list-style-type: none"> KPJ (listed on the Main Market of Bursa Securities) 	Investment holding, while its subsidiaries are mainly involved in the operation of specialist hospitals	Chairman/ Non-Independent Non-Executive Director	2 April 2024	-	-	-
<ul style="list-style-type: none"> Maha Seni Bumi Sdn Bhd 	Dormant. Intended to carry out general trading activities. As at the LPD, Maha Seni Bumi Sdn Bhd is undergoing a striking-off procedure	Director	4 September 2020	-	-	-
<ul style="list-style-type: none"> MIMOS Technology Solutions Sdn Bhd 	To undertake technology monetisation and investment activities, holding shares in companies involved in the provision of information technology services	Director	5 February 2024	-	-	-
<ul style="list-style-type: none"> Telus Prospek Sdn Bhd (formerly known as Yoohoo Media Sdn Bhd) 	Advertising	Director and shareholder	15 March 2024	-	20.0%	-
<ul style="list-style-type: none"> TSI Security Services Sdn Bhd 	Temporary employment agency, private security services and wholesale of a variety of goods	Director and shareholder	17 February 2020	-	30.0%	-
<u>Past Directorships</u>						
<ul style="list-style-type: none"> Bintulu Port Holdings Berhad (listed on the Main Market of Bursa Securities) 	Investment holding, while its subsidiaries are involved in the provision of port services and bulking installation services	Non-Independent Non-Executive Chairman	1 September 2019	1 May 2021	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Institut Integriti Malaysia	To promote integrity as a way of life based on principles of ethics, integrity and independence	Director	4 October 2018	31 December 2019	-	-
• Kulim	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽²⁾	Non-Independent Non-Executive Director	10 May 2022	31 March 2023	-	-
• Malaysia Rail Link Sdn Bhd	To manage as project owner, facilitate, undertake and expedite the construction of East Coast Rail Link Project approved by the Government	Director	1 August 2019	31 July 2020	-	-
• Razak School of Government	Centre of learning, business education, training and development of the middle and high management levels for the public and private sectors, to carry out policy analysis and to provide advisory and consultancy services in relation to government's policies	Director	27 September 2018	19 January 2020	-	-
• Tekun Corporation Sdn Bhd	Debt collection agent, retailer and wholesaler	Director	25 March 2021	30 April 2024	-	-
• TSI Hartabina Sdn Bhd	Property development and other related real estate business, and construction of buildings	Director	19 July 2022	19 March 2024	-	-

Other business involvement outside our Group

Nil

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding in Telus Prospek Sdn Bhd (formerly known as Yoohoo Media Sdn Bhd), which in turn is a shareholder holding 25.0% equity interest in Grand Sahara (Pahang) Sdn Bhd.
- (2) As at the LPD, Kulim is the holding company of the following companies:
 - (a) Danamin (M) Sdn Bhd, a company principally involved in providing non-destructive testing services and performing electrical engineering works for oil and gas, marine, chemical and construction industries, and general trading and services;
 - (b) EPA Management, a company principally involved in investment holding (investing in shares) and plantation management and consultancy services, while its subsidiaries are principally involved in the supply of information technology hardware and provision of information technology maintenance and development services, and livestock farming (sheep and cattle);
 - (c) Farmbyte, a company principally involved in digital development and trading of fresh produce;
 - (d) Jemaluang Dairy Valley Sdn Bhd, a company which intends to undertake activities in the production of raw milk from cows, wholesale and retail of dairy products, and investment holding in 2025. The company currently does not conduct any business activities;
 - (e) JTP Trading Sdn Bhd, a company principally involved in trading and distribution of tropical fruits, and trading of fresh meats, vegetables, dry food ingredients, livestock, planting input and original equipment manufacturer products;
 - (f) Kumpulan Bertam, a dormant company with no future business plans as at the LPD;
 - (g) Kulim Energy Nusantara Sdn Bhd, a dormant company with no future business plans as at the LPD;
 - (h) Kulim Energy Sdn Bhd, a dormant company with no future business plans as at the LPD;
 - (i) Kulim Pineapple Farm Sdn Bhd, a company principally involved in the production of fresh pineapple and suckers;
 - (j) Kulim Topplant Sdn Bhd, a dormant company with no future business plans as at the LPD;
 - (k) Optimum Status, a dormant company with no future business plans as at the LPD;
 - (l) Pembangunan Mahamurni, an investment holding company (investing in shares), holding shares in UMAC, which is a dormant company;
 - (m) Pristine Bay Sdn Bhd, a dormant company with no future business plans as at the LPD;
 - (n) Selai, a dormant company with no future business plans as at the LPD;
 - (o) Southern Greens Sdn Bhd, a company principally involved in the production of fresh vegetables, coconut and durian;
 - (p) Sindora, an investment holding company (investing in shares), holding shares in E.A. Technique (M) Berhad (listed on the Main Market of Bursa Securities), a company that owns and operates marine vessels for the transportation and offshore storage of oil and gas, provider of port marine services and provision of engineering, procurement, construction, installation and commissioning of floating storage and offloading vessels;
 - (q) Skellerup Industries (Malaysia) Sdn Bhd, an investment holding company (investing in shares), holding shares in SIM Manufacturing Sdn Bhd, a company principally involved in manufacturing of rubber products; and
 - (r) UTMC, a dormant company with no future business plans as at the LPD.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(ii) Mohd Faris Adli Bin Shukery**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
• Kulim	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽¹⁾	Non-Independent Non-Executive Director	1 October 2020	-	-	-
<u>Past Directorships</u>						
• EPA Management	Investment holding company (investing in shares) and plantation management and consultancy services. As at the LPD, EPA Management holds shares in 4 companies ⁽²⁾	Director	1 January 2022	15 March 2023	-	-
• Farmbyte	Digital development and trading of fresh produce	Director	24 August 2022	1 March 2023	-	-
• Intrapreneur Value Creation Sdn Bhd	Providing financing to companies within the JCorp Group based on Shariah principles, to subscribe, acquire, hold, dispose shares or other securities of any other company which are Shariah compliant and to carry on trade or business whatsoever which can, in the opinion of the board of directors be advantageous	Director	18 November 2020	3 April 2023	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Jemaluang Dairy Valley Sdn Bhd	Intends to undertake activities in the production of raw milk from cows, wholesale and retail of dairy products, and investment holding in year 2025. The company is currently not conducting any business activities	Director	29 September 2022	7 March 2023	-	-
• Kara Holdings Sdn Bhd	Investment holding company As at the LPD, it holds shares in 3 companies ⁽³⁾	Director	29 November 2021	1 March 2023	-	-
• Kilau Nusantara Sdn Bhd	Activities of holding companies	Director	26 September 2022	16 July 2023	-	-
• Kulim Energy Sdn Bhd	Dormant. It has no future business plans as at the LPD	Director	1 January 2023	15 March 2023	-	-
• Kulim Energy Nusantara Sdn Bhd	Dormant. It has no future business plans as at the LPD	Director	18 November 2020	1 April 2023	-	-
• Libra Perfex Precision Sdn Bhd	Hire and charter of vessels, supply of all kinds of chemicals and chemical preparation and cleaning services for the industrial, oil and gas, marine, engineering and agricultural sectors	Director	1 November 2020	1 March 2023	-	-
• PT Wisesa Inspirasi Nusantara	Investment holding company	President Commissioner	8 February 2021	12 June 2023	-	-

Other business involvement outside our Group

Nil

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Notes:

- (1) Please refer to Note (2) of Section 5.2.3(i) of this Prospectus.
- (2) As at the LPD, EPA Management is the holding company of the following companies:
 - (a) Kulim Civilworks Sdn Bhd, a dormant company;
 - (b) Extreme Edge Sdn Bhd, a company principally involved in the supply of information technology hardware and provision of information technology maintenance and development services;
 - (c) Selai Livestock Sdn Bhd, a company principally involved in livestock farming (sheep and cattle); and
 - (d) PT Kulim Agro Persada, a dormant company.
- (3) As at the LPD, Kara Holdings Sdn Bhd is the holding company of the following companies:
 - (a) Roaster's Chicken Sdn Bhd, an investment holding company. However, it does not have any subsidiaries as at the LPD;
 - (b) Rasamas Holdings Sdn Bhd, a company principally involved in trading and dealing in poultry products; and
 - (c) Ayamas Shoppe Sdn Bhd, a company principally involved in investment holding, operation of a convenience food store chain, and dealing in poultry products. It does not have any subsidiaries as at the LPD.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(iii) Dato' Sr. Hisham Bin Jafrey**

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
<u>Present Directorships</u>						
• ARH Jurukur Bahan Sdn Bhd	Quantity surveyors, consultancy and construction	Managing Director and shareholder	29 July 1988	-	99.5%	-
• Cement Industries of Malaysia Berhad	Provision of management services and investment holding company holding shares in Negeri Sembilan Cement Industries Sdn Bhd, a company principally involved in the manufacturing and sale of cement	Independent Non-Executive Director	27 September 2019	-	-	-
• Extravision Sdn Bhd	Construction of engineering projects	Director	5 January 2004	-	-	-
• JCorp	Investment holding activities, while its subsidiaries, associated companies and jointly controlled entities are principally involved in plantation and agrobusiness, healthcare and wellness services, real estate and infrastructure, quick service restaurants and investment holding	Independent Non-Executive Director	1 May 2020	-	-	-
• Unipati Concrete Sdn Bhd	Production and sale of ready-mixed concrete	Director	25 October 2021	-	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Past Directorships</u>						
• Farmbyte	Digital development and trading of fresh produce	Director	15 March 2023	19 December 2023	-	-
• Kulim	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽¹⁾	Non-Independent Non-Executive Director	1 March 2020	31 March 2023	-	-
• Semangat Padu (M) Sdn Bhd	Investment advisory services, domestic and international trade affairs and construction of buildings	Director	4 August 1997	29 January 2021	-	-
<u>Other business involvement outside our Group</u>						
• Astute Automobile Sdn Bhd	Investment advisory services	Shareholder	-	-	33.3%	-
• Rainbow Kindergarten	Preschool education provider	Co-owner	-	-	-	-

Note:

(1) Please refer to Note (2) of Section 5.2.3(i) of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(iv) Shamsul Anuar Bin Abdul Majid**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
<ul style="list-style-type: none"> Al-`Aqar Healthcare REIT (listed on the Main Market of Bursa Securities) 	Own and in general operate income-producing healthcare-related real estates via property acquisition, leasing and property management, portfolio management, financing and capital management, distribution of income to unitholders and compliance with regulations	Non-Independent Non-Executive Director	24 August 2020	-	-	-
<ul style="list-style-type: none"> Al-Salam Real Estate Investment Trust (listed on the Main Market of Bursa Securities) 	Own and in general operate income-producing diversified real estates (non-healthcare-related) via property acquisition, leasing and property management, portfolio management, financing and capital management, distribution of income to unitholders and compliance with regulations	Non-Independent Non-Executive Director	24 August 2020	-	-	-
<ul style="list-style-type: none"> Damansara REIT Managers Sdn Berhad 	Management company for real estate trust fund (Al-`Aqar Healthcare REIT and Al-Salam Real Estate Investment Trust)	Non-Independent Non-Executive Director	24 August 2020	-	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• JCorp	Investment holding activities, while its subsidiaries, associated companies and jointly controlled entities are principally involved in plantation and agrobusiness, healthcare and wellness services, real estate and infrastructure, quick service restaurants and investment holding	Chief Investment Officer	2 February 2020	-	-	-
• JLand Group Sdn Bhd	Investment holding company holding shares in 4 companies ⁽¹⁾	Director	15 April 2021	-	-	-
• KPJ (listed on the Main Market of Bursa Securities)	Investment holding, while its subsidiaries are mainly involved in the operation of specialist hospitals	Non-Independent Non-Executive Director	7 May 2020	-	-	-
• Kulim	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽²⁾	Non-Independent Non-Executive Director	1 September 2023	-	-	-
• N2W Corporation Sdn Bhd	Dormant. Intended to carry out activities as business technology innovator, technology accelerator and disruptive business enabler	Director	7 May 2020	-	-	-
• QSR Brands (M) Holdings Bhd	Investment holding company holding shares in 32 companies ⁽³⁾ and provision of management services	Non-Independent Non-Executive Director	21 February 2020	-	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Past Directorships</u>						
• Axiata Digital Innovation Fund Sdn Bhd	Venture capital management and provide venture capital funding in the digital and internet industry, and carry out business as advisers and consultants particularly in the scope of information technology and multimedia	Alternate Director	25 January 2019	25 February 2020	-	-
• Axiata Digital Innovation Fund Sdn Bhd	Venture capital management and provide venture capital funding in the digital and internet industry, and carry out business as advisers and consultants particularly in the scope of information technology and multimedia	Director	12 March 2020	14 August 2020	-	-
• Business Chronicles Sdn Bhd	Investment holding company holding shares in Massive Equity Sdn Bhd, which in turn is an investment holding company holding shares in QSR Brands (M) Holdings Sdn Bhd. Please refer to Section 5.2.3(iv) of this Prospectus for the principal activities of QSR Brands (M) Holdings Sdn Bhd	Director	28 January 2020	23 December 2020	-	-
• Damansara Assets	Investment holding company. As at the LPD, it holds shares in 6 companies ⁽⁴⁾	Director	1 April 2020	25 May 2023	-	-
• Damansara Holdings Berhad	Investment holding, while its subsidiaries are principally involved in development of building projects construction, project management professional care and cleaning product	Non-Independent Non-Executive Director	30 October 2021	31 December 2023	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Farmbyte	Digital development and trading of fresh produce	Director	11 November 2022	19 December 2023	-	-
• Jemaluang Dairy Valley Sdn Bhd	Intends to undertake activities in the production of raw milk from cows, wholesale and retail of dairy products, and investment holding in year 2025. The company is currently not conducting any business activities	Director	7 March 2023	31 December 2023	-	-
• Johor Land	Property development, construction and investment holding company. As at the LPD, it holds shares in 6 companies ⁽⁵⁾	Director	21 January 2021	16 January 2023	-	-
• Kara Holdings Sdn Bhd	Investment holding company. As at the LPD, it holds shares in 3 companies ⁽⁶⁾	Director	4 February 2019	2 March 2021	-	-
• Kulim	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽²⁾ :	Non-Independent Non-Executive Director	10 July 2020	31 March 2023	-	-
• Kulim Energy Sdn Bhd	Dormant. It has no future business plans as at the LPD	Director	12 February 2020	18 November 2020	-	-
• Langsat Marine Base Sdn Bhd	Construct, manage and operate an offshore and a marine logistics base to cater the supports and services of offshore oil and gas industry, driven by offshore operations	Director	15 January 2019	18 November 2020	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Langsat Marine Terminal Sdn Bhd	Business of clearing and forwarding agents and warehousing agency for goods imported and exported and business of logistics organisers, conductors and implementers for shipment, movement, transfer and transshipment of goods and transportation	Director	15 January 2019	18 November 2020	-	-
• Langsat OSC Sdn Bhd	Construct, manage and operate an offshore and a marine logistics base to cater the supports and services of offshore oil and gas industry	Director	15 January 2019	1 September 2020	-	-
• Massive Equity Sdn Bhd	Investment holding company. As at the LPD, it holds shares in QSR Brands (M) Holdings Sdn Bhd. Please refer to Section 5.2.3(iv) of this Prospectus for the principal activities of QSR Brands (M) Holdings Sdn Bhd	Alternate Director	21 February 2020	18 November 2020	-	-
• Newwave Health Sdn Bhd	Medical solutions provider (dissolved on 10 March 2023)	Director	7 May 2020	-	-	-
• TLP Terminal Sdn Bhd	To develop, control and administer and otherwise operate Tanjung Langsat port, to control the berthing and movement of all vessels at Tanjung Langsat port	Alternate Director	15 January 2019	13 July 2020	-	-
• TLP Terminal Sdn Bhd	To develop, control and administer and otherwise operate Tanjung Langsat port, to control the berthing and movement of all vessels at Tanjung Langsat port	Director	13 July 2020	25 May 2023	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• TPM Technopark Sdn Bhd	Develop industrial estates, undertake or direct the management of the property, buildings, lands and estates	Alternate Director	15 January 2019	13 July 2020	-	-
• TPM Technopark Sdn Bhd	Develop industrial estates, undertake or direct the management of the property, buildings, lands and estates	Director	13 July 2020	22 December 2020	-	-

Other business involvement outside our Group

Nil

Notes:

- (1) As at the LPD, JLand Group Sdn Bhd is the holding company of the following companies:
 - (a) Kulim Technology Ideas Sdn Bhd, a company principally involved in investment holding and a special purpose vehicle for financing purposes. It does not hold shares in any company as at the LPD;
 - (b) JLG Services Sdn Bhd, a company principally involved in providing management and consultancy services, conducting training programs and activities for human capital development;
 - (c) JL Projects Sdn Bhd, a company principally involved in real estate activities with own or leased property; and
 - (d) Damansara Holdings Berhad, a company principally involved in investment holding, while its subsidiaries are principally involved in development of building projects construction, project management professional care and cleaning product.

- (2) Please refer to Note (2) of Section 5.2.3(i) of this Prospectus.

- (3) As at the LPD, QSR Brands (M) Holdings Bhd is the holding company of the following companies:
 - (a) Kampuchea Food Corporation Co. Ltd, a company principally involved in the operation of fast-food restaurants in Cambodia;
 - (b) Pizza (Kampuchea) Private Limited, a company undergoing striking-off process;
 - (c) Ayamas Food Corporation Sdn Bhd, a company principally involved in investment holding, poultry processing and further processing activities, while its subsidiaries are principally involved in sales and marketing of food products, transportation agent, property holding and operation of Sudut Ayamas;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (d) Pintas Tiara Sdn Bhd, a company principally involved in property holding;
- (e) QSR Trading Sdn Bhd, a company principally involved in sales and marketing of food products and as transportation agent;
- (f) Usahawan Bistari Ayamas Sdn Bhd, a company principally involved in the operation of Sudut Ayamas;
- (g) QSR Captive Insurance Limited, a company principally involved in conducting captive insurance business from or through the Federal Territory of Labuan, Malaysia;
- (h) Multibrand QSR Holdings Pte Ltd, a company principally involved in investment holding. As at the LPD, the company is undergoing liquidation process;
- (i) Pizza Hut Singapore Pte Ltd, a company principally involved in the operation of Pizza Hut restaurants in Singapore;
- (j) Pizza Hut Restaurants Sdn Bhd, a company principally involved in operating pizza restaurants and as transportation agent;
- (k) PHD Delivery Sdn Bhd, a company principally involved in the operation of pizza delivery restaurants;
- (l) KFC Holdings (Malaysia) Bhd, a company principally involved in property holding;
- (m) QSR Stores Sdn Bhd, a company principally involved in the operation of restaurants and trading consumables;
- (n) KFCIC Assets Sdn Bhd, a company principally involved in property holding;
- (o) Efinite Value Sdn Bhd, a company principally involved in the operation of customer service call centre;
- (p) Efinite Revenue Sdn Bhd, a dormant company;
- (q) QSR Delivery Sdn Bhd, a company principally involved in food service activities;
- (r) Ayamas Integrated Poultry Industry Sdn Bhd, a company principally involved in the operation of a feedmill, breeder farms and hatchery and investment holding, while its subsidiaries are principally involved in poultry breeder farm and property holding;
- (s) MH Integrated Farm Berhad, a company principally involved in property holding;
- (t) Ladang Ternakan Putihekar (N.S.) Sdn Bhd, a company principally involved in the operation of a poultry breeder farm;
- (u) QSR Manufacturing Sdn Bhd, a company principally involved in operating a bakery and commissary and investment holding. It does not have any subsidiaries as at the LPD;
- (v) Region Food Industries Sdn Bhd, a company principally involved in operating sauce manufacturing plant;
- (w) Tepak Marketing Sdn Bhd, a company principally involved in contract packing tea and tea trading;
- (x) KFC (Peninsular Malaysia) Sdn Bhd, a company principally involved in biodiesel, property holding and investment holding, holding shares in SPM Restaurants Sdn Bhd, a company principally involved in property holding;
- (y) SPM Restaurants Sdn Bhd, a company principally involved in property holding;
- (z) Integrated Poultry Industry Sdn Bhd, a company principally involved in primary poultry processing;
- (aa) KFC (Sabah) Sdn Bhd, a company principally involved in investment holding. As at the LPD, the company is undergoing liquidation process;
- (bb) KFC (B) Sdn Bhd, a company principally involved in the operation of quick service restaurants;
- (cc) Kentucky Fried Chicken (Malaysia) Sendirian Berhad, a company principally involved in human resource management;
- (dd) KFC (Sarawak) Sdn Bhd, a company principally involved in the operation of fast-food restaurants;
- (ee) WQSR Holdings (S) Pte Ltd, a company principally involved in investment holding. As at the LPD, the company is undergoing liquidation process; and
- (ff) Kentucky Fried Chicken Management Pte Ltd, a company principally involved in the operation of Kentucky Fried Chicken restaurants in Singapore.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (4) As at the LPD, Damansara Assets is the holding company of the following companies:
- (a) DASB Security Sdn Bhd, a company involved in providing consultancy and security services;
 - (b) Bukit Damansara Development Sdn Bhd, a company principally involved in property and investment holding. It does not have any subsidiaries as at the LPD;
 - (c) Coaction Events Sdn Bhd, a company principally involved in events management;
 - (d) Damansara REIT Managers Sdn Berhad, the management company for Al-Aqar Healthcare REIT and Al-Salam Real Estate Investment Trust;
 - (e) DASB Parking Sdn Bhd, a company principally involved in carpark management, design and consultancy services; and
 - (f) DASB Food Services Sdn Bhd, a company principally involved in food services.
- (5) As at the LPD, Johor Land is the holding company of the following companies:
- (a) KPJ (listed on the Main Market of Bursa Securities), a company principally involved in investment holding, while its subsidiaries are mainly involved in the operation of specialist hospitals;
 - (b) JLand Australia Pty Ltd, a company principally involved in property development;
 - (c) Johor City Development Sdn Bhd, a company principally involved in property development;
 - (d) Advance Development Sdn Bhd, a company principally involved in property development;
 - (e) Pembinaan Perfab Sdn Bhd, a company principally involved in property development;
 - (f) Bandar Baru Majidee Development Sdn Bhd, a company principally involved in property development.
- (6) Please refer to Note (3) of Section 5.2.3(ii) of this Prospectus.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(v) Abdullah Bin Abu Samah**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
• Agensi Pekerjaan Firstworks Sdn Bhd	Private employment agency, to recruit and place a worker to another employer	Director	1 August 2022	-	-	-
• Agios Holdings Sdn Bhd	Dormant. Intended to carry out activities as an investment holding company	Director and shareholder	14 December 2004	-	51.0%	-
• Al-`Aqar Healthcare REIT (listed on the Main Market of Bursa Securities)	Own and in general operate income-producing healthcare-related real estates via property acquisition, leasing and property management, portfolio management, financing and capital management, distribution of income to unitholders and compliance with regulations	Independent Non-Executive Director	10 March 2021	-	-	-
• Al-Salam Real Estate Investment Trust (listed on the Main Market of Bursa Securities)	Own and in general operate income-producing diversified real estates (non-healthcare-related) via property acquisition, leasing and property management, portfolio management, financing and capital management, distribution of income to unitholders and compliance with regulations	Independent Non-Executive Director	10 March 2021	-	-	-
• Aspirasi Entiti Sdn Bhd	Dormant. Intended to carry out activities as an investment holding company	Director and shareholder	14 March 2013	-	50.0%	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
• Damansara REIT Managers Sdn Berhad	Management company for real estate trust fund (Al-Aqar Healthcare REIT and Al-Salam Real Estate Investment Trust)	Independent Non-Executive Director	10 March 2021	-	-	-
• Extreme Edge Sdn Bhd	Supply of information technology hardware and provision of information technology maintenance and development services	Director	1 February 2021	-	-	-
• Firstworks Group Sdn Bhd	Business management consultancy services and provision of human resources for client businesses and human resource consultancy services	Director	1 August 2022	-	-	-
• Media Prima Berhad (listed on the Main Market of Bursa Securities)	Investment holding, while its subsidiaries are involved in media-related businesses in television, print, radio, out-of-home advertising, content creation and digital media	Independent Non-Executive Director	11 March 2021	-	-	-
• Staffworks Sdn Bhd	Management consultancy	Director	1 August 2022	-	-	-
• Sutra Foundation	To preserve, develop and promote traditional and contemporary performing arts in Malaysia	Director	19 November 2014	-	-	-
<u>Past Directorships</u>						
• Kulim	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽¹⁾	Independent Non-Executive Director	1 January 2021	31 March 2023	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Other business involvement outside our Group</u>						
• KPMG Desa Megat PLT	Accounting, bookkeeping and auditing activities and tax consultancy	Partner	23 December 2016	1 January 2021	-	-
• KPMG PLT ⁽²⁾	Audit, tax and advisory services	Partner	23 December 2016	1 January 2021	-	-
• KPMG Ventures PLT	Activities of holding companies	Partner	14 November 2016	1 January 2021	-	-

Notes:

- (1) Please refer to Note (2) of Section 5.2.3(i) of this Prospectus.
- (2) Abdullah Bin Abu Samah has been acting as Partner of KPMG (prior to its conversion from a conventional partnership to a limited liability partnership under the name of KPMG PLT) since October 1997.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(vi) Fawzi Bin Ahmad**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
• Canseal (M) Sdn Bhd	Manufacturing of swimming caps and rubber moulded products	Director and shareholder	7 June 2010	-	33.3%	-
<u>Past Directorships</u>						
• Kulim	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽¹⁾	Independent Non-Executive Director	1 January 2021	31 March 2023	-	-

Other business involvement outside our Group

Nil

Note:

(1) Please refer to Note (2) of Section 5.2.3(i) of this Prospectus.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(vii) Mohd Fazillah Bin Kamaruddin**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
<ul style="list-style-type: none"> Al Amin Strategic Commodity Sdn Bhd 	Napier cultivation	Director	20 February 2020	-	-	-
<u>Past Directorships</u>						
<ul style="list-style-type: none"> Kulim 	Plantation and investment holding company holding Shares of our Company and shares in other companies ⁽¹⁾	Independent Non-Executive Director	20 June 2021	31 March 2023	-	-
<ul style="list-style-type: none"> Seacera Group Berhad (listed on the Main Market of Bursa Securities) 	Trading of building materials while its subsidiaries are involved in property development activities, general construction and trading activities, trading of personal protective equipment products and property investment holding activities	Independent Non-Executive Director	16 August 2017	29 May 2019	-	-

Other business involvement outside our Group

Nil

Note:

(1) Please refer to Note (2) of Section 5.2.3(i) of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(viii) Vinie Chong Pui Ling**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
• Epic Reroll Sdn Bhd	Retail sale of games and toys made of all materials, restaurant and business management consultancy services	Director and shareholder	29 March 2019	-	40.0%	-
<u>Past Directorships</u>						
• Bell Cenergi Linggi Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	28 October 2020	30 September 2022	-	-
• Bell Cenergi Paloh Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	25 May 2021	30 September 2022	-	-
• Bell Cenergi YP Sdn Bhd	Ownership, operation and maintenance of renewable energy facilities for the purpose of generating electrical power from renewable resources to be sold to the grid	Director	28 October 2020	30 September 2022	-	-
• Cenergi Cheekah Sdn Bhd	Construction, investment and providing consultancy for renewable energy projects	Director	24 November 2020	30 September 2022	-	-
• Cenergi Chersonese Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	28 October 2020	30 September 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Cenergi Classic Sdn Bhd	Ownership and operation of generation facilities, and maintenance of renewable energy facilities for the purpose of generating electrical power from renewable resources to be sold to the grid	Director	14 April 2020	30 September 2022	-	-
• Cenergi EE Sdn Bhd	Carry out energy efficiency projects	Director	5 March 2020	30 September 2022	-	-
• Cenergi EE Holdings Sdn Bhd	Renewable energy developers in solar and energy efficiency, investment holding company and provision of management services	Director	30 October 2020	30 September 2022	-	-
• Cenergi Elphil Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	28 October 2020	30 September 2022	-	-
• Cenergi Endah Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	28 October 2020	30 September 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Cenergi EPC Sdn Bhd	Project management activities involving amongst others, coordinating, managing, advising, maintaining control over project schedule and budget related to construction, engineering design and development of new infrastructures, buildings, facilities, power plants and any such installations, and to provide engineering, procurement and construction services for renewable energy plant	Director	28 October 2020	30 September 2022	-	-
• Cenergi FJP Sdn Bhd	Operation of generation facilities that produce electric energy	Director	30 October 2020	30 September 2022	-	-
• Cenergi Hamparan Sdn Bhd	Ownership, operation and maintenance of renewable energy facilities for the purpose of generating electrical power from renewable resources to be sold to the grid	Director	2 March 2020	30 September 2022	-	-
• Cenergi Langkap Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	28 October 2020	30 September 2022	-	-
• Cenergi Operations and Maintenance Sdn Bhd	Operation and maintenance of renewable energy power plants	Director	5 March 2020	30 September 2022	-	-
• Cenergi Palong Sdn Bhd	Contracting and construction of a renewable energy plant	Director	2 March 2020	30 September 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Cenergi Pantai Remis Sdn Bhd	Contracting and construction of a renewable energy plant	Director	2 March 2020	30 September 2022	-	-
• Cenergi RE Sdn Bhd	Investment holding company and provision of operation and maintenance services	Director	28 April 2020	30 September 2022	-	-
• Cenergi Refuel Sdn Bhd	Development and operations of biomass pellet manufacturing facilities, and conducting manufacturing activities to produce biomass pellets	Director	2 March 2020	30 September 2022	-	-
• Cenergi Sg. Dingin Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	28 October 2020	30 September 2022	-	-
• Cenergi Solar Sdn Bhd	Renewable energy developers in solar and energy efficiency, investment holding company and provision of management services	Director	28 October 2020	30 September 2022	-	-
• Cenergi Sri Ganda Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	30 October 2020	30 September 2022	-	-
• Cenergi Sri Jelutung Sdn Bhd	Contracting and construction of renewable energy plant	Director	30 October 2020	30 September 2022	-	-
• Cenergi Sua Betong Sdn Bhd	Operation of generation facilities that produce electric energy and construction of power plants and other engineering projects	Director	2 March 2020	30 September 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Cenergi Sunseap Energy Solutions Sdn Bhd	Renewable energy developers in solar and energy efficiency	Director	30 October 2020	30 September 2022	-	-
• Cenergi Tennamaram Sdn Bhd	Construction of renewable energy facilities and operating such facilities for the purpose of generating electrical power from renewable resources to be sold to the national grid, and packaging of generator sets	Director	2 March 2020	30 September 2022	-	-
• Cenergi West Sdn Bhd	Construction of power plants and other engineering projects, and other construction installation	Director	28 October 2020	30 September 2022	-	-
• CSES Rooftop Alpha Sdn Bhd	Operation of generation facilities that produce electric energy, construction of power plants and other engineering projects	Director	2 March 2020	30 September 2022	-	-
• Damansara Holdings Berhad	Investment holding, while its subsidiaries are principally involved in development of building projects construction, project management professional care and cleaning product	Independent Non-Executive Director	1 July 2018	31 December 2023	-	-
• Digital Awan Sdn Bhd	Ownership, operation and maintenance of renewable energy facilities for the purpose of generating electrical power from renewable resources to be sold to the grid	Director	2 March 2020	30 September 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• HIS Cenergi Sdn Bhd	Operation of generation facilities that produce electric energy (struck off on 29 July 2021)	Director	9 April 2020	-	-	-
• IRM Solar Sdn Bhd	Supplying electricity generated from solar power plant	Director	2 March 2020	30 September 2022	-	-
• Leader Energy Ventures Sdn Bhd	Other management consultancy activities	Director	2 May 2023	29 February 2024	-	-
• Leader Solar Sdn Bhd	Operation of generation facilities that produce electric energy	Director	2 May 2023	29 February 2024	-	-
• Leader Energy Sdn Bhd	Activities of holding companies, holding shares in Leader Solar Energy Sdn Bhd and Leader Solar Energy II Sdn Bhd	Director	2 May 2023	29 February 2024	-	-
• Leader Solar Energy Sdn Bhd	Engineering, procurement, construction, operating and maintenance of solar photovoltaic power plant	Director	2 May 2023	29 February 2024	-	-
• Leader Solar Energy II Sdn Bhd	Operation of generation facilities that produce electric energy	Director	2 May 2023	29 February 2024	-	-
• Marudu Power Sdn Bhd	Ownership, operation and maintenance of renewable energy facilities for the purpose of generating electrical power from renewable resources to be sold to the grid	Director	2 March 2020	30 September 2022	-	-

Other business involvement outside our Group

Nil

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)(ix) Ong Li Lee⁽¹⁾

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
Nil						
<u>Past Directorships</u>						
• ET Smart Wealth Sdn Bhd	Fund management	Executive Director	6 October 2022	31 May 2024	-	-
<u>Other business involvement outside our Group</u>						
• EquitiesTracker Holdings Berhad (listed on the LEAP Market of Bursa Securities)	Investment holding, while its subsidiaries are principally involved in software development, provision of software services, investment training services and fund management	Advisor and shareholder	2 May 2018	31 May 2024	1.9%	-

Note:

(1) Based on information as at 31 May 2024.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(x) Norita Binti Ja'afar**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
• Cypark Resources Berhad (listed on the Main Market of Bursa Securities)	Investment holding, while its subsidiaries are principally engaged in the business of renewable energy, construction and engineering, green technology and environment services, waste management and waste-to-energy, investment holding and provision of management services	Independent Non-Executive Director	18 January 2024	-	-	-
• Kayametrics Sdn Bhd	Dormant. Intended to provide computer consultancy services	Director and shareholder	5 July 2017	-	100.0%	-
• Kitaran Tabah Sdn Bhd	Financial consultancy services and other management consultancy activities	Director and shareholder	24 January 2022	-	45.0%	-
<u>Past Directorships</u>						
• Armada Ikhtiar Sdn Bhd	Activities of holding companies	Director	12 February 2020	21 June 2021	-	-
• Hup Seng Industries Berhad (listed on the Main Market of Bursa Securities)	Investment holding, while its subsidiaries are involved in the manufacturing and sales of biscuits and coffee mix, and dealers in biscuits, confectionery and other foodstuff	Independent Non-Executive Director	11 August 2000	31 March 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• TFX Capital Sdn Bhd	Financial service activities, except insurance/takaful and pension funding	Director	22 January 2020	15 October 2021	-	-
• TFX Enterprise Sdn Bhd	Information technology service activities	Director	8 January 2020	15 October 2021	-	-
<u>Other business involvement outside our Group</u>						
• Aegis Associates Sdn Bhd	Dormant. Intended to provide technology finance services	Shareholder	-	-	25.0%	-

The involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation (including potential conflict of interest) as none of these businesses engage in business activities that are similar to that of our Group (i.e. upstream oil palm plantation activities, trading and other support services and renewable energy). While some of these businesses have transactions with our Group as set out in Section 11.1.1 of this Prospectus, they are carried out on an arm's length basis and on normal commercial terms which are not unfavourable to our Group and are comparable to those generally available to third parties. These transactions such as the sale of CPO, purchase of FFB, provision of trading and support services as well as the provision of administrative and secretarial services were transacted at pricing which were comparable to contemporaneous transactions with unrelated third parties for similar products/services and we are not dependent on them for revenue or purchases.

Further, the involvement of our Managing Director in Kulim does not preclude him from allocating or committing his time and effort to our Group as he is not involved in the management and day-to-day operations of Kulim. His non-executive role in Kulim does not require his involvement on a daily basis as the business is managed by its own management. In relation to our Non-Executive Directors, their involvement in other businesses or corporations does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day operations of our Group.

As such, our Directors are of the view that although they are involved in other businesses as set out above, they are able to devote sufficient time and attention to the affairs of our Group to carry out their respective duties.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.4 Remuneration and material benefits-in-kind of our Directors

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid or proposed to be paid to our Directors for services rendered in all capacities to our Group for the FYE 2023 and FYE 2024 are as follows:

FYE 2023

<u>Director</u>	<u>Salaries (RM'000)</u>	<u>Fees (RM'000)</u>	<u>Bonuses (RM'000)</u>	<u>(1)Contributions (RM'000)</u>	<u>Allowances (RM'000)</u>	<u>Benefits- in-kind (RM'000)</u>	<u>Total (RM'000)</u>
Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar	-	(2)183	-	-	40	-	223
Mohd Faris Adli Bin Shukery	(3)455	-	160	115	150	194	1,074
Dato' Sr. Hisham Bin Jafrey	-	(2)135	-	-	51	-	186
Shamsul Anuar Bin Abdul Majid	-	(2)29	-	-	51	-	80
Abdullah Bin Abu Samah	-	(2)129	-	-	36	-	165
Fawzi Bin Ahmad	-	(2)129	-	-	52	-	181
Mohd Fazillah Bin Kamaruddin	-	(2)125	-	-	45	-	170
Vinie Chong Pui Ling	-	(2)133	-	-	48	-	181
Ong Li Lee	-	(2)133	-	-	50	-	183
Norita Binti Ja'afar	-	(2)125	-	-	54	-	179

Proposed for the FYE 2024

<u>Director</u>	<u>Salaries (RM'000)</u>	<u>Fees (RM'000)</u>	<u>Bonuses (RM'000)</u>	<u>(2)Contributions (RM'000)</u>	<u>Allowances (RM'000)</u>	<u>Benefits- in-kind (RM'000)</u>	<u>Total (RM'000)</u>
Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar	-	220	-	-	40	-	260
Mohd Faris Adli Bin Shukery	984	-	(4)-	200	96	95	1,375
Dato' Sr. Hisham Bin Jafrey	-	155	-	-	65	-	220
Shamsul Anuar Bin Abdul Majid	-	35	-	-	65	-	100
Abdullah Bin Abu Samah	-	155	-	-	50	-	205
Fawzi Bin Ahmad	-	155	-	-	65	-	220
Mohd Fazillah Bin Kamaruddin	-	150	-	-	60	-	210
Vinie Chong Pui Ling	-	160	-	-	60	-	220
Ong Li Lee	-	165	-	-	60	-	220
Norita Binti Ja'afar	-	150	-	-	60	-	210

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Notes:

- (1) Comprise contributions to Employees Provident Fund and Social Security Organisation.
- (2) The director's fees are computed from 1 March 2023, being the date they were appointed to our Board.
- (3) The salary of Mohd Faris Adli Bin Shukery is computed from 1 March 2023, being the date he was re-designated as our Managing Director.
- (4) Bonuses will be determined at a later date depending on the performance of our Managing Director and our Group.

The remuneration for each of our Directors is subject to review and recommendation by our Board Nomination and Remuneration Committee and approval by our Board. The fees and benefits payable to our Directors shall be further approved by our shareholders pursuant to an ordinary resolution passed at a general meeting.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.2.5 Service contracts

As at the LPD, there are no existing or proposed service contracts entered into or to be entered into by our Directors with our Group which provide for benefits upon termination of employment.

5.2.6 Board Audit Committee

Our Board Audit Committee comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Abdullah Bin Abu Samah	Chairman	Independent Non-Executive Director
Ong Li Lee	Member	Independent Non-Executive Director
Vinie Chong Pui Ling	Member	Independent Non-Executive Director

The main functions of our Board Audit Committee are as follows:

- (i) review with the external auditors, the audit scope and plan, including any changes to the scope of the audit plan;
- (ii) ensure the internal audit function is independent of the activities it audits and the head of internal audit reports functionally to our Board Audit Committee directly;
- (iii) review the head of internal audit's performance on an annual basis;
- (iv) take cognisance of resignations of internal audit staff members or the internal audit service provider;
- (v) review the adequacy of the internal audit scope and plan, including the internal audit programme, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
- (vi) review the external and internal audit reports to ensure that appropriate and prompt remedial action is taken by management on major deficiencies in controls or procedures that are identified;
- (vii) review major audit findings and management's response during the year with management, external auditors and internal auditors, including the status of previous audit recommendations;
- (viii) review the assistance given by our officers to the auditors, and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information;
- (ix) set policies and procedures to assess the suitability, objectivity and independence of the external auditors;
- (x) review the non-audit services provided by the external auditors and/or its network firms to us for the financial year;
- (xi) review the appointment and performance of external auditors, the audit fee and any question of resignation or dismissal before making recommendations to our Board;
- (xii) review the quarterly results and the year-end financial statements, prior to approval by our Board;
- (xiii) review any related party transaction and conflict of interest situation that arose, persist or may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (xiv) review procedures in place to ensure that we are in compliance with the Act, Listing Requirements and other legislative and reporting requirements;
- (xv) review the compliance framework, the plan and the scope of work of the compliance function; and
- (xvi) monitor the overall compliance to the internal policies, statutory and regulatory requirements as well as guidelines for our Group.

5.2.7 Board Risk Committee

Our Board Risk Committee comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Dato' Sr. Hisham Bin Jafrey	Chairman	Non-Independent Non-Executive Director
Vinie Chong Pui Ling	Member	Independent Non-Executive Director
Fawzi Bin Ahmad	Member	Independent Non-Executive Director

The main functions of our Board Risk Committee are as follows:

- (i) define and recommend the principles, framework and process for managing risks within our Group, for consideration and approval by our Board;
- (ii) review and approve the inclusion of revisions to the risk management principles, framework and process arising from our Board Risk Committee's or our Board's decision to ensure that they remain relevant for use;
- (iii) review and recommend the annual risk profile which specifies key risks for approval by our Board;
- (iv) review, monitor and assess the effectiveness of risk treatment/mitigation action plan(s) for the management and control of risks;
- (v) review new project/investment and ensure the appropriate and relevant risks have been adequately addressed before submission to our Board for approval on any proposed new project/investment launch;
- (vi) review, if necessary, together with other committees, management, internal auditors, external auditors and other parties any significant risks that could affect us and assess the steps that the management has taken to manage such risks;
- (vii) review our quarterly risk management report on adequacy and effectiveness of risk management; and
- (viii) benchmark our risk management practices against internationally recognised standards.

5.2.8 Board Nomination and Remuneration Committee

Our Board Nomination and Remuneration Committee comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Ong Li Lee	Chairman	Independent Non-Executive Director
Shamsul Anuar Bin Abdul Majid	Member	Non-Independent Non-Executive Director
Mohd Fazillah Bin Kamaruddin	Member	Independent Non-Executive Director

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

The main functions of our Board Nomination and Remuneration Committee are as follows:

- (i) determine the criteria for Board membership, including qualities, experience, skills, education and other factors that will best qualify a nominee to serve on our Board;
- (ii) review annually and recommend to our Board the structure, size, balance and composition of the Board and Committees, including the required mix of skills and experience, core competencies which Non-Executive Directors should bring to our Board and other qualities to function effectively and efficiently;
- (iii) consider, evaluate and propose to our Board any new Board appointments, whether Executive or Non-Executive position;
- (iv) propose to our Board the responsibilities of Non-Executive Directors, including membership and Chairmanship of Board Committees;
- (v) evaluate and recommend to our Board the appointment of senior executive positions, including that of our Managing Director and the Key Senior Management, their duties and the continuation (or not) of their service;
- (vi) establish and implement processes for assessing the effectiveness of our Board as a whole, the Committees of our Board and for assessing the contribution of each Director;
- (vii) evaluate on an annual basis, the effectiveness of each Director's ability to contribute to the effectiveness of our Board and the relevant Board Committees, in addition to providing the necessary feedback to our Directors in respect of their performance, the effectiveness of the Committees of our Board and the effectiveness of our Board as a whole;
- (viii) recommend to our Board whether Directors who are retiring by rotation should be put forward for re-election and termination of membership of individual Directors in accordance with policy; and
- (ix) establish appropriate succession plans at Board level, and if appropriate, at senior management level.

5.2.9 Board Sustainability Committee

Our Board Sustainability Committee comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Fawzi Bin Ahmad	Chairman	Independent Non-Executive Director
Norita Binti Ja'afar	Member	Independent Non-Executive Director
Dato' Sr. Hisham Bin Jafrey	Member	Non-Independent Non-Executive Director

The main functions of our Board Sustainability Committee are as follows:

- (i) assist our Board in overseeing key sustainability issues, risks, and opportunities and steer sustainability strategies into a competitive advantage for all existing and potential businesses of our sustainability;
- (ii) endorse the development and implementation of sustainability strategies including the sustainability report before its publication;
- (iii) observe sustainability development trends;

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

- (iv) review the impact of our business on the environment, and society, including its employees, third parties, and communities and on our reputation, and respond actively to emerging sustainability issues;
- (v) monitor overall management of stakeholder engagement and its outcomes, including ensuring mechanisms for sustainability-related feedback are in place;
- (vi) ensure that our strategic plan supports long-term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability, human rights as well as climate-related risks and opportunities;
- (vii) review issues relating to sustainability arising from feedback, independent audits, and assurance reports as well as any matters highlighted by the external consultant;
- (viii) evaluate investment decisions based on sustainability criteria and policies; and
- (ix) review employee awareness programmes in understanding our approach to sustainability and support our actions on sustainability.

5.2.10 Board Tender Committee

Our Board Tender Committee comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Shamsul Anuar Bin Abdul Majid	Chairman	Non-Independent Non-Executive Director
Norita Binti Ja'afar	Member	Independent Non-Executive Director
Mohd Fazillah Bin Kamaruddin	Member	Independent Non-Executive Director

The main functions of our Board Tender Committee are as follows:

- (i) review our procurement policy, including its framework to adopt the best and transparent practices in procurement and any changes to the framework and development of new policies, for subsequent Board approval;
- (ii) review the efficiency and effectiveness of our centralised procurement initiatives;
- (iii) review and endorse any procurement not covered in, or vary from, the procurement policy or vary from any standard contract term for subsequent to our Board's approval;
- (iv) review and approve the list of tenders to be invited for selective tender and direct negotiation procurement methods for procurements under the procurement policy within limits set out therein;
- (v) review and approve tender awards under the procurement policy for capital expenditures and operating expenses within limits set out in the limits of authority, including consumable goods, services and non-commodity inventory that are not governed by any specific procurement policies;
- (vi) review and approve any variation order for awarded contracts and the limit of such variation order as set out in the limit of authority and procurement policy;
- (vii) review, recommend and/or approve the termination of procurements under the procurement policy within limits set out in the procurement policy; and
- (viii) review status reports on procurement efficiency and effectiveness including completion and delivery, spending against budget annually.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.3 KEY SENIOR MANAGEMENT

5.3.1 Profiles of our Key Senior Management

Aziah Binti Ahmad
Chief Financial Officer

Aziah Binti Ahmad, a Malaysian aged 58, is our Chief Financial Officer. She graduated with a Bachelor of Commerce (In Accountancy) from the University of Wollongong, Australia in 1989. She was admitted as a member of CPA Australia in 1990 and advanced to a fellow member in 2023. She has been a member of the Malaysian Institute of Accountants since 1995.

Aziah began her career with Coopers & Lybrand (now known as PricewaterhouseCoopers PLT) as the Audit Assistant in 1989, where she was involved in performing financial audits of various companies. She was then promoted to the position of the Manager in 1998, providing assurance services, including financial audits, to a portfolio of assurance clients. She left PricewaterhouseCoopers PLT in 2006 and joined Pelangi Berhad as the Senior Manager, Finance and Accounts, where she was responsible for the strategic planning of the financial aspect of the company.

Aziah was transferred from Pelangi Berhad (which was subsequently converted to a private company) to PNB Property Holdings Sdn Berhad (now known as PNB Commercial Sdn Berhad) in 2009 as the Deputy General Manager, where she was responsible for overseeing the southern region operations, including managing the commercial assets belonging to the company. During her tenure with PNB Commercial Sdn Berhad, she was appointed as the Acting Chief Financial Officer for the period between December 2011 and August 2012 to oversee the company's financial activities. Following the conclusion of her term as the Acting Chief Financial Officer, she resumed her previous role as the Deputy General Manager and continued with the same responsibilities as she had previously.

Aziah left PNB Commercial Sdn Berhad in 2014 and joined Kumpulan Perbadanan Johor Sdn Bhd (now known as N2W Corporation Sdn Bhd), a subsidiary of JCorp, in April 2014 as the General Manager, where she was immediately seconded to Damansara Assets Sdn Bhd, another subsidiary of JCorp, as Chief Financial Officer, to oversee the operations of the Finance, Corporate Finance and Contracts Department. She was subsequently transferred from Damansara Assets Sdn Bhd to JCorp in 2016 as the General Manager, where she was assigned to head the Group Accounts Department of JCorp. In January 2020, she was appointed as the Vice President cum Chief Financial Officer of JCorp. Her responsibilities included among others, overseeing the financial activities of JCorp and its group of companies.

Aziah was then transferred to Kulim in April 2020 as the Chief Financial Officer, where she was primarily responsible for overseeing and managing the overall financial aspect of Kulim and its group of companies.

In 2022, Aziah was transferred to our Company as the Chief Financial Officer, a position she continues to hold today, where she is primarily responsible for overseeing and managing the overall financial aspect of our Group.

Aziah is the Non-Independent Non-Executive Director of E.A. Technique (M) Berhad (listed on the Main Market of Bursa Securities) since 2017. As at the LPD, save for her existing directorship in E.A. Technique (M) Berhad, she does not hold any other Present Directorships and is not involved in any other business outside our Group. Further information on her Past Directorships is disclosed in Section 5.3.3 of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Mohamad Yami Bin Bakar *Head of Plantation*

Mohamad Yami Bin Bakar, a Malaysian aged 56, is our Head of Plantation. He graduated with a Diploma in Planting Industry Management from Universiti Teknologi Mara in 1990. Mohamad Yami is a member of The Incorporated Society of Planters since 1991.

Mohamad Yami began his career with Eastern Plantation Agency (Johore) Sdn Bhd (now known as EPA Management), a subsidiary of Kulim, as the Trainee Cadet at Tebrau Estate, Johor in 1990, where he was involved in field cultivation, harvesting and FFB delivery. In 1991, Mohamad Yami was appointed as the Cadet at the Selai Estate and was responsible for maintenance and upkeep work for a specific division of the estate. In 1992, he was promoted to the Assistant Manager at the UMAC Estate, where he was responsible for assisting in the management of the day-to-day operation of the estate, including managing community affairs and labour welfares. Mohamad Yami undertook similar role and responsibilities when he was transferred to the Bukit Kelompok Estate in 1994.

In 1996, he was seconded to Damansara Forest Products (PNG) Pte Ltd ("**DFP**"), another subsidiary of Kulim, as the Assistant Project Manager, where his responsibilities included, strategically planning, organising and monitoring day-to-day operation of estates owned by DFP. During his tenure with DFP, he was involved in setting up an oil palm nursery for the development of an oil palm estate in Papua New Guinea owned by DFP.

In 1997, Mohamad Yami was transferred back to Malaysia and served as the Assistant Manager at Ulu Tiram Estate, where he was responsible for cultivating and managing oil palm and coffee plantation. In 1998, he held the same position at Nam Heng Estate (now known as the Basir Ismail Estate) and was responsible for managing a specific division of the estate and a country club.

In 2001, Mohamad Yami was appointed as the Assistant-In-Charge in the Sepang Loi Estate, where he was responsible for replanting and managing the oil palm nursery. He was subsequently promoted to the position of the Manager in 2004, where he managed the operation of several estates owned by Kulim and its group of companies such as, among others, the Ulu Tiram Estate, Basir Ismail Estate and Bukit Layang Estate until 2010.

In 2011, Mohamad Yami was promoted to the Senior Manager and undertook the role as the Acting Regional Controller, where he was tasked to manage the operational activities of 4 estates and a POM within a complex. He was subsequently promoted to the Regional Controller in 2012, where he took up a supervisory role. In 2013, Mohamad Yami was promoted to the Deputy General Manager, where he oversaw the operations of 5 estates and a POM located within another complex. Between 2014 and 2016, he was seconded to PT Wahana Semesta Kharisma in Indonesia, then a subsidiary of Kulim, and was involved in the development of an oil palm plantation in Indonesia.

He returned to Malaysia and was re-designated as the Head of Kulim Pineapple Farm in July 2017, where he was responsible for coordinating, monitoring and ensuring smooth operation of a pineapple farm owned by the Kulim group. He also oversaw the expansion of pineapple planting at Tanah Abang, Mersing, Johor.

In 2021, Mohamad Yami assumed the role as the Head of Plantation Division in Kulim and he was responsible for managing the operations of all oil palm plantations under the Kulim group before his promotion to the Senior General Manager, Plantation Division in June 2022, to oversee the Kulim group's entire plantation sector.

In November 2022, Mohamad Yami was transferred from Kulim to our Company as the Senior General Manager, assuming the role as the Head of Plantation, a position he continues to hold today, where he is primarily responsible for overseeing the operations of all our estates and POMs. His responsibilities include, among others, budgeting, planning, implementing transformation programs and reviewing all aspects of the operations of our estates and POMs to ensure that we adhere to the standard operating procedures.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

As at the LPD, he does not hold any Present Directorships and he is not involved in other business outside our Group. Further information on the Past Directorships of Mohamad Yami is as disclosed in Section 5.3.3 of this Prospectus.

Amran Bin Zakaria

Head of Group Human Capital

Amran Bin Zakaria, a Malaysian aged 56, is our Head of Group Human Capital. He graduated with a Bachelor of Science in Horticulture from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia) in 1991 and obtained a Diploma in Training from the Auckland College of Education, New Zealand in 1997 and thereafter a Diploma in Industrial Relations from the Malaysian Employers Federation (in collaboration with the International Labour Organisation) in 2002. He is a member of the Malaysian Society for Training and Development since 1996.

Amran began his career with the Prime Minister Department as the Training Executive in 1991 where he was involved in rolling out a nationwide initiative known as the 'Kursus Bina Negara' to cascade down the 2020 Vision to all Malaysians. Amran left the Prime Minister Department and joined DENSO (Malaysia) Sdn Bhd as the Training Executive in 1995, where he was involved in maintaining industrial relations of the company, including dealing with national unions, and setting up a new electronics division in the company which focuses on supplying electrical components. In 1998, he was promoted to Senior Executive with additional responsibilities of handling industrial relation matters and coordinating training programmes organised by the company for internal and external parties.

In 2002, Amran joined NEC Semiconductors (Malaysia) Sdn Bhd as the Assistant Manager, where he was responsible for managing human resource matters at domestic level before his promotion to the position of Manager in 2003, which extended his responsibility to managing human resource matters at regional level. He was promoted to the Assistant Senior Manager in 2006, where he continued with similar responsibilities.

Amran left NEC Semiconductors (Malaysia) Sdn Bhd and joined Nestle Manufacturing (Malaysia) Sdn Bhd ("**Nestle**") as the Human Resource Manager in 2007, where he was responsible for managing human resource affairs involving the production team at Nestle's plants in Selangor, Malaysia.

In 2010, he left Nestle and joined New Straits Time Press (Malaysia) Berhad as the Senior Manager, Human Capital, where he handled general human resource matters and played a vital role in the company's transformation initiative aimed at improving profitability, reducing wastage and ensuring timely newspaper production.

Amran left New Straits Time Press (Malaysia) Berhad in 2011 and joined Lembaga Zakat Selangor of the Selangor State Government as the General Manager in 2012, where he was responsible for setting up the Human Resource Division, introducing policies and implementing best practices in the human capital management of the organisation.

Amran then left Lembaga Zakat Selangor in 2015 and joined Teluk Nibong Ventures Sdn Bhd, a subsidiary of Khazanah Nasional Berhad, in March 2016 as the Senior Consultant of Advisory, where he was responsible for managing the career transition program, providing career counselling and human resources consultancy to members of the Corporate Development Centre ("**CDC**") Malaysia. In June 2016, he was appointed as the Head of Market Engagement, where he was responsible for, among others, establishing engagement with industry players to source for relevant jobs for CDC members and performing data analytics to strategise, plan, coordinate and execute job sourcing and placement activities and events.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In 2017, Amran left Teluk Nibong Ventures Sdn Bhd and joined Kulim as General Manager, undertaking the role as the Head of Human Resource Division, where he was in charge of handling all human resource matters. In January 2020, he was seconded to JCorp as the Head of Group Human Resource, where he was responsible for rationalising the workforce structure of JCorp and its group of companies. He was transferred back to Kulim in September 2020 and was promoted to the position of the Senior General Manager in 2021, where he served as the Head of Corporate Services Division and Head of Human Resource Division, overseeing human resources, legal, and company secretarial matters of Kulim and its group of companies. Subsequently, Amran discontinued his role as the Head of Corporate Services Division to focus on human resources matters of Kulim and its group of companies.

In 2023, he was transferred to our Company and was appointed as the Head of Group Human Capital, a position he continues to hold today, and is primarily responsible for human capital management, general administration and property management of our Group.

As at the LPD, he does not hold any Present Directorships and he is not involved in other business outside our Group. Further information on the Past Directorships of Amran is as disclosed in Section 5.3.3 of this Prospectus.

Wan Adlin Bin Wan Mahmood *Head of Sustainability and Innovation*

Wan Adlin Bin Wan Mahmood, a Malaysian aged 49, is our Head of Sustainability and Innovation. He graduated with a Bachelor of Engineering in Chemical Engineering from Vanderbilt University, the United States in 1997. In 2001, he obtained a Diploma in Palm Oil Milling and Technology from MPOB and in 2005, he obtained the First Grade Steam Engineer Certification from the Department of Safety and Health, Putrajaya. In 2018, Wan Adlin graduated with a Master of Business Administration in Manufacturing and Production Management from Wawasan Open University, Malaysia.

Wan Adlin began his career at Dynamic Management Sdn Bhd, a subsidiary of IOI Corporation Berhad, as the Cadet Engineer at Gomali POM in 1997. He rose through the ranks and was promoted as Mill Manager in 2004, where he was primarily responsible for managing the operations of various POMs owned by IOI Corporation Berhad and its group of companies. In the same year, he left Dynamic Management Sdn Bhd and joined EPA Management, a subsidiary of Kulim, as the Mill Manager in 2005, where he was tasked to manage the operation of various palm oil mills owned by the Kulim group of companies.

Wan Adlin left EPA Management and joined CTP Holdings Pte Ltd in 2009, as Mill Manager, where he was assigned to manage the Milne Bay Mill in Papua New Guinea. In 2010, he left CTP Holdings Pte Ltd and joined Keresu Mill Sdn Bhd in Bintulu, Sarawak as the Mill Manager and was responsible for trading, marketing and ensuring sustainability of palm oil.

In 2012, Wan Adlin left Keresu Mill Sdn Bhd and re-joined Kulim and its group of companies as the Senior Manager, where he was responsible for, among others, managing and monitoring the day-to-day operations of the Sedenak POM. In 2017, he took on the role as the Head of Engineering Department, overseeing the operations of all POMs owned by the Kulim group of companies. In 2019, he was appointed as the Deputy General Manager, assuming the role as the Head of the Engineering and Project Division. He was primarily responsible for overseeing project management, which included, among others, supervising the preparation of tenders and evaluation of potential contractors.

Wan Adlin was subsequently promoted to the position of the General Manager, assuming the role as the Head of Sustainability and Innovation in June 2022. In this role, in addition to his existing responsibility of overseeing project management, he also took on the responsibility of supervising sustainability systems introduced to address ESG factors and assessments conducted to evaluate new innovation initiatives.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

In December 2022, Wan Adlin was transferred to our Company as the General Manager, assuming the role as the Head of Sustainability and Innovation, a position he continues to hold today, undertaking similar responsibilities he had in Kulim prior to his transfer to our Group.

As at the LPD, he does not hold any Present Directorships and is not involved in other business outside our Group. Further information on the Past Directorships of Wan Adlin is as disclosed in Section 5.3.3 of this Prospectus.

5.3.2 Shareholdings of our Key Senior Management

Before our IPO, our Key Senior Management do not have any shareholding in our Company. The shareholdings of our Key Senior Management after our IPO (assuming full subscription of our IPO Shares reserved for our Key Senior Management under the Pink Form Allocations), are as follows:

Name	As at the LPD / Before our IPO				After our IPO			
	Direct		Indirect		Direct		Indirect	
	No. of Shares (^{'000})	%	No. of Shares (^{'000})	%	No. of Shares (^{'000})	(¹)%	No. of Shares (^{'000})	(¹)%
Aziah Binti Ahmad	-	-	-	-	300	*	-	-
Mohamad Yami Bin Bakar	-	-	-	-	(²)554	*	-	-
Amran Bin Zakaria	-	-	-	-	(²)554	*	-	-
Wan Adlin Bin Wan Mahmood	-	-	-	-	205	*	-	-

Notes:

* Less than 0.1%.

(1) Based on our enlarged total number of 2,500,000,000 Shares after our IPO.

(2) Both Mohamad Yami Bin Bakar and Amran Bin Zakaria have informed us that they intend to subscribe for 320,000 IPO Shares each under the Institutional Offering.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.3.3 Directorships and principal business activities outside our Group

The following table sets out the Present Directorships as at the LPD and the Past Directorships of our Key Senior Management within the past 5 years up to the LPD as well as their involvement in principal business activities outside our Group for the past 5 years up to the LPD:

(i) **Aziah Binti Ahmad**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
<ul style="list-style-type: none"> • E.A. Technique (M) Berhad (listed on the Main Market of Bursa Securities) 	Ship owning and operator of marine vessels for the transportation and offshore storage of oil and gas, provider of port marine services and provision of engineering, procurement, construction, installation and commissioning of floating storage and offloading vessels	Non-Independent Non-Executive Director	2 October 2017	-	-	-
<u>Past Directorships</u>						
<ul style="list-style-type: none"> • DASB Property Management Sdn Bhd 	Property management	Director	1 January 2016	1 April 2020	-	-
<ul style="list-style-type: none"> • EPA Management 	Investment holding company (investing in shares) and plantation management and consultancy services. As at the LPD, EPA Management holds shares in 4 companies ⁽¹⁾	Director	15 September 2020	15 March 2023	-	-
<ul style="list-style-type: none"> • Epasa Shipping Agency Sdn Bhd 	Shipping agency	Director	1 August 2021	1 January 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• JCorp Capital Excellence Sdn Bhd	Investment holding company. However, it does not have any subsidiaries as at the LPD	Director	17 June 2019	31 October 2023	-	-
• JCorp Capital	Investment holding company. However, it does not have any subsidiaries as at the LPD	Director	1 October 2018	2 July 2019	-	-
• Johor Logistics Sdn Bhd	Warehousing and container yard services	Director	15 January 2019	31 October 2023	-	-
• Kajang Specialist Hospital Sdn Bhd	Operation of a specialist medical centre	Director	1 March 2017	1 June 2021	-	-
• Kulim Civilworks Sdn Bhd	Facilities maintenance	Director	18 November 2020	1 August 2021	-	-
• Kulim Energy Nusantara Sdn Bhd	Dormant. It has no future business plans as at the LPD	Director	18 November 2020	1 April 2023	-	-
• Kulim Pineapple Farm Sdn Bhd	Production of fresh pineapple and suckers	Director	1 January 2022	15 March 2023	-	-
• Kulim Smart Technologies Sdn Bhd	Information technology system and device development, adviser and consultants on all matters and problems of system planning, development, administration management, organisation and marketing (dissolved on 2 May 2023)	Director	1 August 2021	1 January 2022	-	-
• Larkin Sentral Property Berhad	Operating of a transport terminal, renting shop lots to retailers and wet market's traders	Director	1 August 2016	1 November 2020	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
• Pasir Gudang Specialist Hospital Sdn Bhd	Operating as a private hospital	Director	15 January 2019	1 June 2021	-	-
• Pembangunan Mahamurni	Investment holding company (investing in shares), holding shares in UMAC, which is a dormant company	Director	1 January 2022	15 March 2023	-	-
• Phoenix Progress Sdn Bhd	A special purpose vehicle for financing purposes	Director	20 May 2019	31 October 2023	-	-
• Pristine Bay Sdn Bhd	Dormant. It has no future business plans as at the LPD	Director	15 October 2020	15 March 2023	-	-
• Pro Corporate Management Services Sdn Bhd	Transcription of documents and other secretarial services	Director	15 January 2019	31 October 2023	-	-
• PT Wisesa Inspirasi Nusantara	Investment holding company	President Director	8 February 2021	12 June 2023	-	-
• Sindora	Investment holding company (investing in shares), holding shares in E.A. Technique (M) Berhad (listed on the Main Market of Bursa Securities), a company principally involved in owning and operator of marine vessels for the transportation and offshore storage of oil and gas, provider of port marine services and provision of engineering, procurement, construction, installation and commissioning of floating storage and offloading vessels	Director	15 September 2020	15 March 2023	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
• Sindora Trading Sdn Bhd	Dormant (dissolved on 9 June 2022)	Director	1 August 2021	31 October 2021	-	-
• Sindora Wood Products Sdn Bhd	Property letting (dissolved on 12 September 2022)	Director	1 August 2021	31 October 2021	-	-
• Virtualflex Sdn Bhd	Card business and salary crediting services to selected customers	Director	15 January 2019	24 February 2022	-	-

Other business involvement outside our Group

Nil

Note:

(1) Please refer to Note (2) of Section 5.2.3(ii) of this Prospectus.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(ii) Mohamad Yami Bin Bakar**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
Nil						
<u>Past Directorships</u>						
• EPA Management	Investment holding company (investing in shares) and plantation management and consultancy services. As at the LPD, EPA Management holds shares in 4 companies ⁽¹⁾	Director	16 January 2018	1 January 2022	-	-
• JTP Trading Sdn Bhd	Trading and distribution of tropical fruits, and trading of fresh meats, vegetables, dry food ingredients, livestock, planting input and original equipment manufacturer products	Director	16 January 2018	1 January 2022	-	-
• KCW Electrical Sdn Bhd	Electrical installation (dissolved on 13 April 2022)	Director	15 January 2019	1 August 2021	-	-
• Kumpulan Bertam	Dormant. It has no future business plans as at the LPD	Director	1 March 2017	15 March 2023	-	-
• MIT Insurance Brokers Sdn Bhd	Insurance brokerage and consultancy	Director	3 July 2017	14 July 2023	-	-
• Pembangunan Mahamurni	Investment holding company (investing in shares) holding shares in UMAC (a dormant company)	Director	1 January 2022	15 March 2023	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
• Renown Value Sdn Bhd	Cultivation of pineapples and other agriculture product, marketing of pineapple products and general trading (dissolved on 2 May 2023)	Director	1 August 2021	20 December 2022	-	-
• Selai	Dormant. It has no future business plans as at the LPD	Director	15 November 2021	15 March 2023	-	-
• SIM Manufacturing Sdn Bhd	Manufacturing of rubber products	Director	1 January 2022	15 March 2023	-	-
• Skellerup Industries (Malaysia) Sdn Bhd	Investment holding company (investing in shares), holding shares in SIM Manufacturing Sdn Bhd, a company principally involved in manufacturing of rubber products	Director	1 January 2022	15 March 2023	-	-
• UTMC	Dormant. It has no future business plans as at the LPD	Director	1 March 2017	15 March 2023	-	-

Other business involvement outside our Group

Nil

Note:

(1) Please refer to Note (2) of Section 5.2.3(ii) of this Prospectus.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(iii) Amran Bin Zakaria**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
Nil						
<u>Past Directorships</u>						
• Danamin (M) Sdn Bhd	Providing non-destructive testing services and performing electrical engineering works for oil and gas, marine, chemical and construction industries, and general trading and services	Director	1 January 2023	15 March 2023	-	-
• DQ-IN Sdn Bhd	Engineering and fabrication	Director	1 August 2021	15 March 2023	-	-
• Epasa Shipping Agency Sdn Bhd	Shipping agency	Director	1 August 2021	1 January 2022	-	-
• Johor Skills Development Centre Sdn Bhd	Skills development training centre	Director	22 December 2020	1 October 2021	-	-
• Kulim Civilworks Sdn Bhd	Facilities maintenance	Director	1 January 2022	15 March 2023	-	-
• Kulim Pineapple Farm Sdn Bhd	Production of fresh pineapple and suckers	Director	1 January 2022	15 March 2023	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Company	Principal activities	Position held	Date of appointment	Date of resignation	Equity interest held	
					Direct	Indirect
• Kulim Smart Technologies Sdn Bhd	Information technology system and device development, adviser and consultants on all matters and problems of system planning, development, administration management, organisation and marketing (dissolved on 2 May 2023)	Director	1 August 2021	1 January 2022	-	-
• Pembangunan Mahamurni	Investment holding company (investing in shares), holding shares in UMAC, which is a dormant company	Director	1 January 2023	15 March 2023	-	-
• Pinnacle Platform Sdn Bhd	Develop and maintain information technology application system (wound up on 3 April 2023)	Director	15 November 2021	13 November 2022	-	-
• Renown Value Sdn Bhd	Cultivation of pineapples and other agriculture products, marketing of pineapple products, and general trading (dissolved on 2 May 2023)	Director	15 June 2022	20 December 2022	-	-
• Sindora Development Sdn Bhd	Production of round wood used in an unprocessed form	Director	1 January 2022	15 March 2023	-	-
• Sindora Timber Sdn Bhd	Processing and sale of sawn timber, timber doors, laminated timber scantling, trading of wood products, and management of oil palm plantation and rubber estate	Director	1 January 2022	15 March 2023	-	-
• Sindora Trading Sdn Bhd	Dormant (dissolved on 9 June 2022)	Director	1 August 2021	31 October 2021	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
• Sindora Wood Products Sdn Bhd	Property letting (dissolved on 12 September 2022)	Director	1 August 2021	31 October 2021	-	-
• Skellerup Industries (Malaysia) Sdn Bhd	Investment holding company (investing in shares), holding shares in SIM Manufacturing Sdn Bhd, a company principally involved in manufacturing of rubber products	Director	1 January 2022	15 March 2023	-	-
• Sovereign Multimedia Resources Sdn Bhd	Technical services and support related to software design and hardware related to software implementation and other related information and communication technology business (wound up on 3 April 2023)	Director	15 November 2021	1 January 2022	-	-
• XCOT Tech Sdn Bhd	Engineering services	Director	1 January 2022	15 March 2023	-	-

Other business involvement outside our Group

Nil

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**(iv) Wan Adlin Bin Wan Mahmood**

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
<u>Present Directorships</u>						
Nil						
<u>Past Directorships</u>						
• Danamin (M) Sdn Bhd	Providing non-destructive testing services and performing electrical engineering works for oil and gas, marine, chemical and construction industries, and general trading and services	Director	1 February 2022	15 March 2023	-	-
• Kulim Smart Technologies Sdn Bhd	Information technology system and device development, adviser and consultants on all matters and problems of system planning, development, administration management, organisation and marketing (dissolved on 2 May 2023)	Director	1 January 2018	1 August 2021	-	-
• Kulim Smart Technologies Sdn Bhd	Information technology system and device development, adviser and consultants on all matters and problems of system planning, development, administration management, organisation and marketing (dissolved on 2 May 2023)	Director	1 January 2022	1 December 2022	-	-

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

<u>Company</u>	<u>Principal activities</u>	<u>Position held</u>	<u>Date of appointment</u>	<u>Date of resignation</u>	<u>Equity interest held</u>	
					<u>Direct</u>	<u>Indirect</u>
• Pembangunan Mahamurni	Investment holding company (investing in shares), holding shares in UMAC, which is a dormant company	Director	15 November 2021	1 January 2022	-	-
• SIM Manufacturing Sdn Bhd	Manufacturing of rubber products	Director	1 January 2022	15 March 2023	-	-
• Sindora Development Sdn Bhd	Production of round wood used in an unprocessed form	Director	1 January 2022	15 March 2023	-	-
• Sindora Timber Sdn Bhd	Processing and sale of sawn timber, trading of wood products and management of oil palm plantation and rubber estate	Director	1 January 2022	15 March 2023	-	-
• Sovereign Multimedia Resources Sdn Bhd	Technical services and support related to software design and hardware related to software implementation and other related information and communication technology business (wound up on 3 April 2023)	Director	15 January 2019	15 November 2021	-	-
• Special Appearance Sdn Bhd	Replanting of oil palm film and drama production, event management and other related services (dissolved on 15 March 2023)	Director	1 January 2022	21 September 2022	-	-

Other business involvement outside our Group

Nil

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

The involvement of our Key Senior Management in the other business activities outside our Group as stated above:

- (i) does not give rise to any conflict of interest situation (including potential conflict of interest) with our business as none of these businesses engage in business activities that are similar to that of our Group (i.e. upstream oil palm plantation activities, trading and other support services and renewable energy) which are in competition with us; and
- (ii) does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day operations of these businesses.

5.3.4 Remuneration and material benefits-in-kind of our Key Senior Management

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid or proposed to be paid to our Key Senior Management for services rendered in all capacities to our Group for the FYE 2023 and FYE 2024 are as follows:

Key Senior Management	Remuneration band (RM'000)	
	FYE 2023	Proposed for the FYE 2024
Aziah Binti Ahmad	950 - 1,000	1,100 - 1,150
Mohamad Yami Bin Abu Bakar	600 - 650	750 - 800
Amran Bin Zakaria	600 - 650	750 - 800
Wan Adlin Bin Wan Mahmood	450 - 500	750 - 800

5.3.5 Service contracts

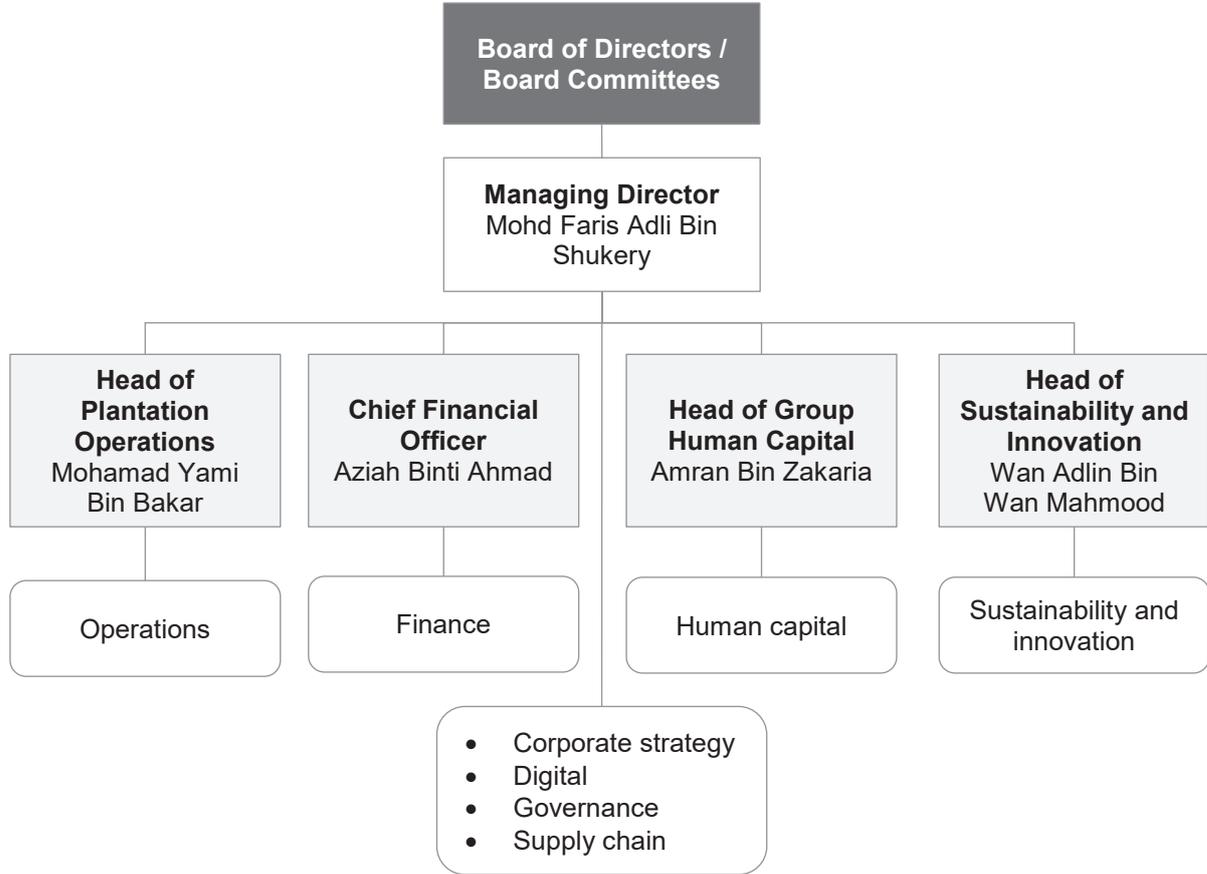
As at the LPD, there are no existing or proposed service contracts entered into or to be entered into by our Key Senior Management with our Group which provide for benefits upon termination of employment.

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5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.4 MANAGEMENT REPORTING STRUCTURE

The management reporting structure of our Group is as follows:



5.5 FAMILY RELATIONSHIPS AND ASSOCIATIONS BETWEEN OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, there are no other family relationships or associations between any of our Promoters, Substantial Shareholders, Directors and Key Senior Management as at the LPD:

- (i) Tan Sri Dato' Sri Dr. Ismail Bin Haji Bakar, who is our Non-Independent Non-Executive Chairman, is also the Deputy Chairman of JCorp;
- (ii) Mohd Faris Adli Bin Shukery, who is our Managing Director, is also the Non-Independent Non-Executive Director of Kulim;
- (iii) Dato' Sr. Hisham Bin Jafrey, who is our Non-Independent Non-Executive Director, is also the Independent Non-Executive Director of JCorp; and
- (iv) Shamsul Anuar Bin Abdul Majid, who is our Non-Independent Non-Executive Director, is also the Chief Investment Officer of JCorp and the Non-Independent Non-Executive Director of Kulim.

5. INFORMATION ON OUR PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

5.6 DECLARATIONS BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoters, Directors or Key Senior Management have been involved in any of the following events, whether in or outside Malaysia:

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which such person was a partner or any corporation of which such person was a director or member of key senior management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his part that relates to the capital market;
- (vi) the subject of any order, judgment or ruling of any court, government or regulatory authority or body temporarily enjoining such person from engaging in any type of business practice or activity;
- (vii) in the last 10 years, has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) any unsatisfied judgment against such person.

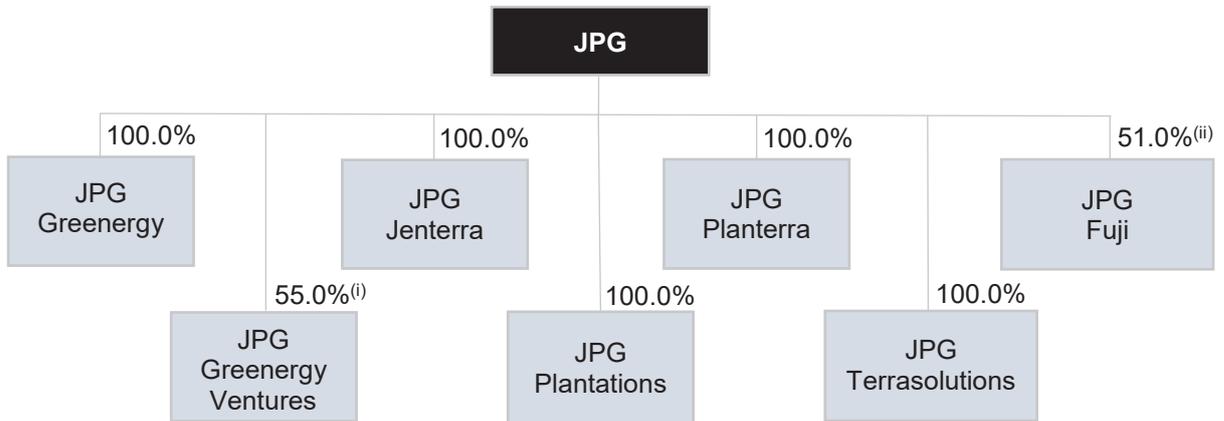
6. INFORMATION ON OUR GROUP

6.1 OUR GROUP

We are an upstream oil palm plantation company operating predominantly in Johor, Malaysia since our incorporation, and in connection with our IPO we have plans to enter into the downstream plantation business. We primarily own, manage and cultivate oil palms and harvest FFB produced on the plantation estates that we own or rent. In addition to our core business in the plantation segment, we are also involved in:

- (i) trading of agricultural machineries and parts for plantation use;
- (ii) selling of germinated seeds that we develop through plant breeding, ornamental plants, and biofertilisers, and providing related services, such as landscaping;
- (iii) providing training and advisory services relating to occupational safety and health; and
- (iv) generating and supplying renewable energy, in particular, biomethane gas that is generated from our palm oil waste.

As at the LPD, our group structure is set out below:



Notes:

- (i) The remaining 45.0% equity interest in JPG Greenergy Ventures is held by MTC Orec Sdn Bhd, who is the provider of turnkey engineering, procurement, construction, installation and commissioning scopes of the biomethane upgrading plant project at our Sedenak POM. The shareholders of MTC Orec Sdn Bhd are:
 - (a) MTC Engineering Consultancy Sdn Bhd (being a 50.0% shareholder of MTC Orec Sdn Bhd), which in turn is held by Mohd Fauzi Bin Ya'akob (66.6%), Norshah Hafeez Bin Shuaib (30.0%), Hud Bin Halid (1.4%), Mohd Rashid Bin Ya'acob (1.4%) and Mohd Hisham Bin Che Aun (0.6%); and
 - (b) O'Rec Energy Sdn Bhd (being a 50.0% shareholder of MTC Orec Sdn Bhd), which in turn is held by Zahari Bin Mohamad (50.0%) and Zulkifli Bin Mohamad (50.0%).

None of the shareholders of MTC Engineering Consultancy Sdn Bhd and O'Rec Energy Sdn Bhd are related to our Group.

6. INFORMATION ON OUR GROUP (CONT'D)

- (ii) The remaining 49.0% equity interest in JPG Fuji is held by Fuji Oil Asia Pte Ltd, who is our partner for our venture into the downstream plantation business. Fuji Oil Asia Pte Ltd is a wholly-owned subsidiary of Fuji Oil Holdings Inc, which is listed on the Tokyo Stock Exchange. Fuji Oil Holdings Inc and its group of companies are principally involved in developing and manufacturing edible oils and fats, vegetable oils and fats for food processing as well as vegetable fats for chocolate. They are also engaged in the business of industrial chocolate, emulsified and fermented ingredients, and soy-based ingredients. The group markets its products to industrial food manufacturers in the field of confectionery, processed food, and beverage, specialty stores of pastry and bakery, and retailers globally.

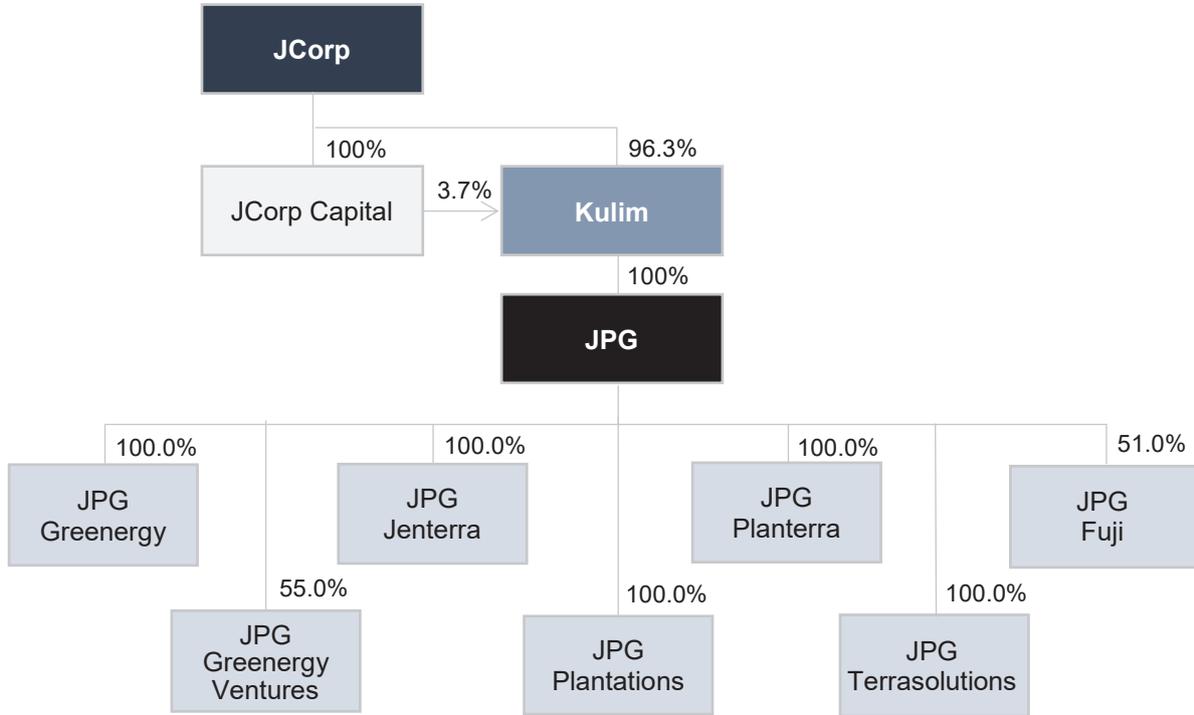
Further information on our subsidiaries is set out in Section 6.4 of this Prospectus.

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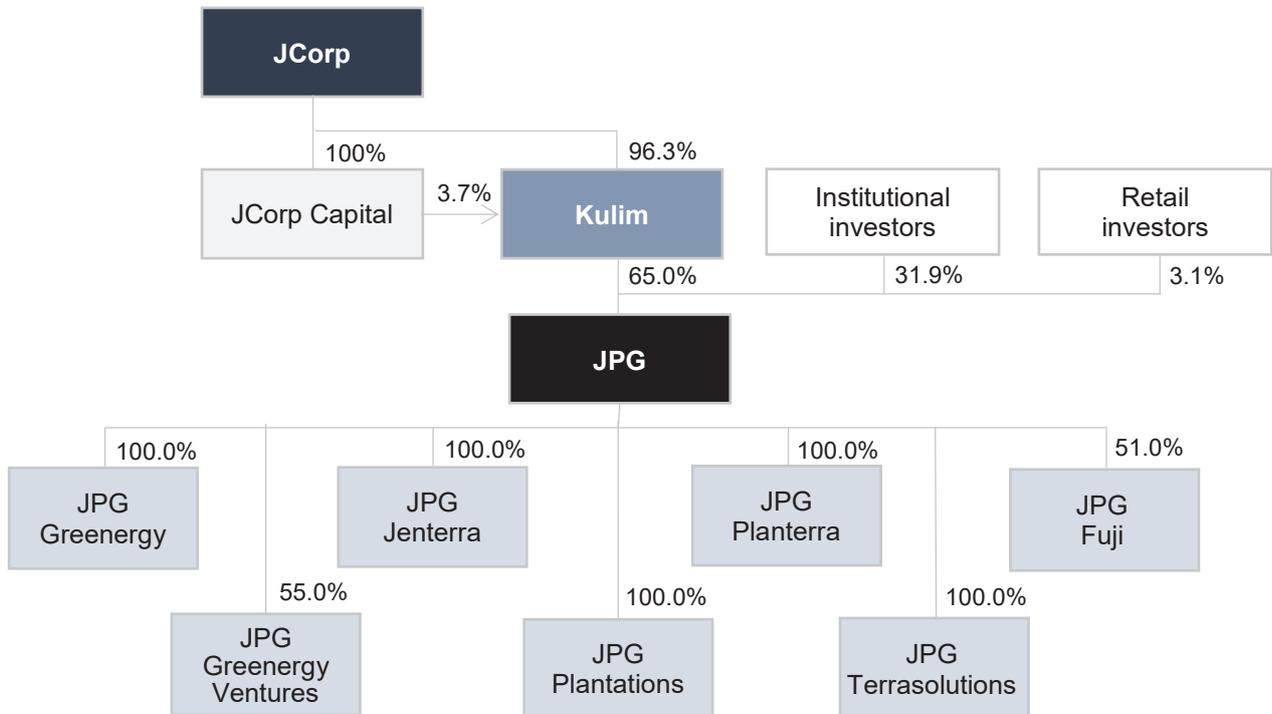
6. INFORMATION ON OUR GROUP (CONT'D)

Our shareholding structure before and after our IPO is set out below:

(i) As at the LPD / Before our IPO



(ii) After our IPO



6. INFORMATION ON OUR GROUP (CONT'D)

6.1.1 History and background

We were incorporated in Malaysia under the Companies Act 1965 on 21 March 1978 as a private limited company under the name of Yule Catto Plantations Sdn Bhd and is deemed registered under the Act. We changed our name to Mahamurni Plantations Sdn Bhd on 12 May 1993 and subsequently to Johor Plantations Sdn Bhd on 12 February 2023. In order to facilitate our Listing, we converted into a public limited company on 20 February 2023 and changed our name to Johor Plantations Group Berhad on 27 November 2023.

Our Company was originally incorporated by 2 subscriber shareholders holding 1 share each in March 1978. We undertook a first round of share issuance in June 1978, where Malaya General (Holdings) Limited and JCorp became shareholders of our Company holding 65.0% and 35.0% equity interests respectively.

In September 1980, Malaya General (Holdings) Limited transferred all of its 65.0% equity interest in our Company to its related company, Yulcat Limited. In April 1983, both of the subscriber shareholders transferred their remaining 1 share to Yulcat Limited. In January 1991, Yulcat Limited transferred all of its 65.0% equity interest to JCorp, resulting in JCorp holding the entire equity interest in our Company. Subsequently in December 1994, we became a wholly-owned subsidiary of Kulim when JCorp transferred all of its shares in our Company to Kulim. Kulim was previously listed on the Main Board of Kuala Lumpur Stock Exchange (now known as the Main Market of Bursa Securities) in November 1975 and was subsequently delisted on 4 August 2016 upon completion of the Privatisation of Kulim.

6.1.2 Privatisation of Kulim

Kulim completed a selective capital reduction and repayment exercise in August 2016 under Section 64 of the Companies Act 1965, pursuant to which the entitled shareholders of Kulim received cash of RM4.10 for each share held in Kulim, translating to a privatisation value of approximately RM5.3 billion based on 1,284,880,980 ordinary shares in issue (excluding treasury shares) at the time of the privatisation. The capital repayment to the entitled shareholders of Kulim was partly funded via bank borrowings obtained by Kulim which were subsequently reimbursed by Kulim and our Company using the funds drawn down from the TF-i Facility. In conjunction with the Pre-Listing Restructuring, the outstanding liability owed by Kulim under the TF-i Facility amounting to RM108.9 million was novated to us as part of our purchase of the assets and liabilities of Kulim's oil palm plantation operations pursuant to the terms of the business transfer agreement dated 27 September 2022 entered into between our Company and Kulim as referred to in Section 14.6(ii) of this Prospectus. The novated liability was netted off against the NBV of the assets of Kulim's oil palm plantation operations in arriving at the purchase consideration paid by us for Kulim's oil palm plantation operations under the Pre-Listing Restructuring.

Subsequently, on 29 December 2022, we mutually agreed with Kulim for the latter to retain a portion of the outstanding liability owed by Kulim under the TF-i Facility amounting to RM11.2 million, resulting in an equivalent sum being owed by us to Kulim. Such amount has subsequently been fully repaid by Kulim to CIMB Islamic Bank Berhad in December 2023. As at the LPD, the outstanding amount owing by us to CIMB Islamic Bank Berhad under the TF-i Facility stood at RM0.4 billion.

The plantation assets held by our Group as at the LPD are the same as the plantations assets held by the Kulim group at the time of the privatisation, save for the disposal by Kulim of its plantation business in Indonesia and the rental of the Malay Reserved Estates by us from JCorp as set out in Sections 6.1.3(iv) and 6.1.3(vi) of this Prospectus respectively. Pursuant to the re-listing of Kulim's plantation assets through our Listing, our total market capitalisation would be RM2.1 billion based on the Retail Price and enlarged number of 2,500,000,000 Shares after our IPO.

6. INFORMATION ON OUR GROUP (CONT'D)

6.1.3 Key development since the Privatisation of Kulim

Since the Privatisation of Kulim, Kulim reorganised its business into 2 core segments, namely the plantation segment and agrifood segment, which are spearheaded by its wholly-owned subsidiaries, namely JPG and Farmbyte respectively. Steps taken to rationalise and enhance its plantation business included:

(i) Streamlining Kulim's plantation business under our Group

In 2021, 5 of our plantation estates were merged with our existing plantation estates in Johor to reduce the total number of estates from 28 estates to 23 estates so as to improve operational efficiencies.

In 2022, the Pre-Listing Restructuring was undertaken to consolidate and streamline Kulim's plantation business under our Group. These plantation businesses were then owned and operated by 7 separate entities, namely Kulim, JPG Plantations, Sindora, Selai, UTMC, UMAC and Kumpulan Bertam. Further details of the Pre-Listing Restructuring are set out in Section 6.1.4 of this Prospectus.

(ii) Exploring new potential business growth for the plantation segment

As part of the growth strategy for the plantation segment under our Group, we will continue to expand our CPO production by:

- (a) renting oil palm plantation lands owned by state agencies and/or third parties. This eliminates the need for large upfront capital investment, and allows financial resources to be redirected towards optimising existing operations; and
- (b) expanding our external supply of certified FFB from smallholders to ensure sustainable and responsible palm oil production, as well as allow us to tap into additional sources of raw materials without the need for extensive land acquisition or ownership. This approach also promotes inclusivity and support to the local communities, in line with our commitment to sustainable practices and responsible sourcing.

We intend to venture into the downstream business specialising in specialty oils and fats and other high-value downstream palm oil products, to enhance our position as a fully integrated oil palm producer and enable us to capture better margins along the entire value chain.

(iii) Increasing productivity and efficiency

The operational efficiency of our plantation business is fundamentally guided by a key performance indicator namely palm product yield, which combines FFB yields of both CPO and PK. We recorded a palm product yield of approximately 5.1 MT per Ha in 2023 and aim to increase it to 7.0 MT per Ha by 2025.

To achieve this, the following key initiatives are being carried out:

(a) Accelerate mechanisation

Mini tractors, scissor lifts or grabbers have been introduced to replace mechanical buffaloes for in-field evacuation in areas suitable for mini tractors. In addition, bin system has been implemented to replace the manual loading of FFB, enabling faster evacuation to the POMs. Smart manure spreaders have also been adopted for precise and efficient manuring.

6. INFORMATION ON OUR GROUP (CONT'D)**(b) Adopt high-yielding planting material**

In order to enhance our competitiveness in the future, we have been progressively replacing previous planting materials with high-yielding materials, including clonal, since 2008. As at the LPD, these high-yielding planting materials made up approximately 44% of our total planted area, with clonal types constituting 8% of this portion. The objective is to progressively increase the adoption of high-yielding clonal planting with a growth rate of 18% to 35% within the annual replanting area commencing from 2026.

(c) Increase technology adoption through digitalisation

We intend to adopt and support digitalisation efforts in our operations to improve efficiency. This includes the deployment of K-Plant mobile application to replace manual in-field and mill tasks, and upgrading of our enterprise resource planning system for enhanced administration and operations.

(iv) Disposal of Kulim's plantation business in Indonesia

As part of its strategic business realignment to focus on plantation operations in Johor, Kulim has identified its plantation business in Indonesia as a non-core asset within its portfolio to be divested, and to reallocate its resources and investments towards more promising ventures and opportunities. In August 2023, Kulim completed the disposal of its plantation business in Indonesia to a non-related party.

(v) Expansion into renewable energy operations

We ventured into renewable energy operations in 2016 when we started generating biogas using waste from our POMs after our first biogas plant was commissioned at our POM in Pasir Panjang Estate. In 2023, we expanded our renewable energy segment as we upgraded our biogas lagoons pre-treatment plants to produce biomethane and bio-CNG which are supplied to Gas Malaysia Green Ventures under long term supply contracts. Our partnership with Gas Malaysia Green Ventures is also a testament of our 'waste-to-wealth' initiative, which forms part of our ESG agenda.

Our biomethane plant located at Sedenak POM started commercial operation in June 2023 followed by first production and sale of biomethane in August 2023 pursuant to the gas purchase agreement entered into with Gas Malaysia Green Ventures in 2019. However, our operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident as disclosed in Section 7.18.4 of this Prospectus. Restoration works were completed in May 2024 and we have since resumed operations at the said plant. The bio-CNG plants, which are currently being developed at our Tereh and Sindora POMs, are expected to be commissioned by the end of June 2024.

(vi) Entering into tenancy arrangement with JCorp

In 2021, we entered into the Tenancy Agreement with JCorp to rent the Malay Reserved Estates, which consist of the Bukit Payung Estate (merged administratively into Pasir Panjang Estate since 2021), Tunjuk Laut Estate, Bukit Kelompok Estate and Pasir Logok Estate, for plantation of oil palm.

Prior to entering into the Tenancy Agreement, we have entered into management agreements with the JCorp Group for the provision of administrative, management and business development services for several estates owned by the JCorp Group. These management agreements have been mutually terminated by us and the JCorp Group following the execution of the Tenancy Agreement between us and JCorp.

6. INFORMATION ON OUR GROUP (CONT'D)

Subsequent to the expiry of the term of the Tenancy Agreement, we had entered into the Renewal Tenancy Agreement with JCorp to renew the term of the Tenancy Agreement for a further period of 3 years, commencing from 1 July 2023 to 30 June 2026 and the Second Supplemental Agreement to include an express right to renew the tenancy of the Malay Reserved Estates so long as the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate continues to be in operation and there is no existing breach or non-observance of any of the covenants and provisions on our part contained in the Tenancy Agreement.

For information purposes, the Malay Reservations Enactment 1936 prohibits any transfer, charge, lease or disposal of the Malay Reserved Estates, or any part thereto, to a non-Malay. In calculating the terms of a lease and tenancy, the National Land Code provides that if the term is for a fixed period, no account shall be taken of the fact that it is capable of renewal in pursuance of an option. In other words, the renewal term and the option to renew contained in the Tenancy Agreement should not be taken into consideration in ascertaining the term of the rental of the Malay Reserved Estates, as the rental of the Malay Reserved Estates is for a fixed principal term of 3 years and any renewal of the term of the tenancy of the Malay Reserved Estates is subject to our exercise of the renewal right and compliance with the terms of the Tenancy Agreement. As such, our legal advisers as to Malaysian law opined that the rental of the Malay Reserved Estates by us from JCorp via the Tenancy Agreement, which is for a duration not exceeding 3 years each, constitutes a tenancy and is akin to a right to use the Malay Reserved Estates and does not contravene or constitute a circumvention of the provisions of the Malay Reservations Enactment 1936. Further, the Johor State Government has also indicated that it has no objection to our consecutive renewal of the tenancy arrangement with JCorp in respect of the Malay Reserved Estates to ensure the success of our collaboration with Fuji Oil Asia Pte Ltd for the integrated sustainable palm oil complex.

In addition, both JCorp and Kulim had, vide a letter of confirmation dated 13 September 2023, acknowledged that Kulim intends to purchase the Malay Reserved Estates from JCorp. Upon completion of the purchase of the Malay Reserved Estates by Kulim, JCorp shall assign and novate all of its rights, interests, liabilities and obligations under the Renewal Tenancy Agreement to Kulim, and Kulim shall accept all of such rights, interests, liabilities and obligations, and agree to renew the Renewal Tenancy Agreement for further consecutive periods to ensure the continuity of our oil palm plantation business carried out on the Malay Reserved Estates, beyond the expiry of the extended tenancy period.

JCorp has also, via the same letter of confirmation dated 13 September 2023, agreed that pending completion of the purchase of the Malay Reserved Estates by Kulim, it would renew the Renewal Tenancy Agreement for further consecutive periods upon expiration of the existing tenancy term on 30 June 2026, upon the terms and conditions to be mutually agreed upon by JCorp and our Company.

For the avoidance of doubt, our entitlement to renew the tenancy of the Malay Reserved Estates under the Tenancy Agreement and the covenants stipulated in the letter of confirmation constitutes a legally binding contract between our Promoters and our Company, and we may enforce such legal rights as may be available to us under the law.

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6. INFORMATION ON OUR GROUP (CONT'D)**6.1.4 Pre-Listing Restructuring**

To facilitate our Listing, we entered into business transfer agreements and share sale agreements on 27 September 2022, 3 November 2022 and 30 November 2022 to consolidate and streamline Kulim's plantation business under our Group in the following manner:

- (i) acquisitions by our Company of the oil palm plantation operations, businesses and mills, including all assets and liabilities, from Kulim and its group of companies as follows:
 - (a) Kulim;
 - (b) Sindora;
 - (c) Selai;
 - (d) UMAC;
 - (e) UTMC; and
 - (f) Kumpulan Bertam; and

- (ii) acquisitions by our Company of the entire equity interest held by Kulim and EPA Management in the following companies:
 - (a) 100.0% equity interest in JPG Greenergy;
 - (b) 55.0% equity interest in JPG Greenergy Ventures;
 - (c) 100.0% equity interest in JPG Plantations;
 - (d) 100.0% equity interest in JPG Jenterra;
 - (e) 100.0% equity interest in JPG Terrasolutions; and
 - (f) 100.0% equity interest in JPG Planterra,

whereby the total purchase consideration was satisfied via the issuance of 1,292,930,794 new Shares to Kulim at RM1.00 each and cash consideration of RM102,131,873. For information purposes, the purchase consideration for the acquisition of these assets and liabilities or equity interest were arrived at after taking into consideration their respective NBV based on the latest available unaudited management accounts prior to the completion date of the respective agreements. No revaluation of the plantation assets has been carried out in the past where the revalued amount was included as part of the NBV, or undertaken in conjunction with the Pre-Listing Restructuring.

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6. INFORMATION ON OUR GROUP (CONT'D)

For clarity, the latest available unaudited management accounts as at 30 November 2022 was used as the basis of arriving at the purchase consideration (as opposed to the latest available audited financial statements as at 31 December 2021) in order to minimise the difference between the purchase consideration and the NBV or NA of the assets, liabilities or equity interest acquired at the completion date of the Pre-Listing Restructuring Agreements. The table below sets out the breakdown of the purchase consideration of the asset, liabilities or equity interest acquired as well as their respective unaudited NBV as at 30 November 2022 and audited NBV as at 31 December 2021:

	Purchase consideration/ Unaudited NBV or NA as at 30 November 2022 (RM'000)	Audited NBV or NA as at 31 December 2021 (RM'000)	Variance (RM'000)
Asset and liabilities of Kulim	157,569	212,643	(55,074)
Asset and liabilities of Sindora	433,348	421,952	11,396
Asset and liabilities of Selai	242,336	247,176	(4,840)
Asset and liabilities of UMAC	102,132	102,968	(836)
Asset and liabilities of UTMC	56,025	55,989	36
Asset and liabilities of Kumpulan Bertam	72,541	73,388	(847)
100.0% equity interest in JPG Greenergy	100	135	(35)
55.0% equity interest in JPG Greenergy Ventures	674	893	(219)
100.0% equity interest in JPG Plantations	319,392	327,385	(7,993)
100.0% equity interest in JPG Jenterra	7,386	6,596	790
100.0% equity interest in JPG Terrasolutions	2,683	2,681	2
100.0% equity interest in JPG Planterra	877	470	407
Total	1,395,063	1,452,276	(57,213)

Based on the above, there is no material difference between the total audited value as at 31 December 2021 and the total purchase consideration (which is based on unaudited value as at 30 November 2022). The sale and purchase transactions under the Pre-Listing Restructuring Agreements were completed on 1 December 2022, save for the transfer of lands on which 12 plantations are situated, which was subsequently completed on 30 June 2023. For information purposes, the completion of the transfer of lands on which 12 plantations are situated is subject to approvals from the state authority, the Economic Planning Unit and the Estate Land Board.

As we intend to complete the Pre-Listing Restructuring at the earliest date to facilitate our Listing, the respective vendors under the business transfer agreements have agreed to complete the sale and transfer of the oil palm plantation business contemplated therein upon the payment of the respective purchase consideration, pending the completion of the transfer of lands.

In addition, our Company and JPG Terrasolutions entered into share sale agreements respectively with Kulim on 28 February 2023 for the disposal of the entire equity interest held by us in Pembangunan Mahamurni and its subsidiary, UMAC, and the entire equity interest held by JPG Terrasolutions in Optimum Status for an aggregate nominal cash consideration of RM2 due to their net liabilities position after the Pre-Listing Restructuring. The disposals were completed on 28 February 2023 in accordance with the terms of the respective share sale agreements.

It is a term under the business transfer agreement dated 27 September 2022 entered into between our Company and Kulim (referred to in Section 14.6(ii) of this Prospectus) that Kulim shall novate to us the 3 outstanding liabilities owed by Kulim amounting to a total of approximately RM1.1 billion under the STF-i Facility, TF-i Facility and RC-i Facility (collectively, the "**Kulim's Outstanding Liabilities**"). The Kulim's Outstanding Liabilities were netted off against the NBV of the assets of Kulim's oil palm plantation operations in arriving at the purchase consideration paid by us for Kulim's oil palm plantation operations under the Pre-Listing Restructuring.

6. INFORMATION ON OUR GROUP (CONT'D)

Upon completion of the Pre-Listing Restructuring on 1 December 2022, we have assumed the Kulim's Outstanding Liabilities and there is no amount owing by Kulim under the STF-i Facility, TF-i Facility and RC-i Facility. Subsequently, on 29 December 2022, we mutually agreed with Kulim for the latter to retain a portion of the Kulim's Outstanding Liabilities under the TF-i Facility and RC-i Facility amounting to RM11.2 million and RM90.0 million respectively, resulting in an equivalent total sum of RM101.2 million being owed by us to Kulim. Please refer to Section 4.5.2 of this Prospectus for further details of the TF-i Facility which is intended to be repaid using the gross proceeds from the Public Issue.

6.1.5 Capitalisation

We completed the Capitalisation on 6 December 2023, which entails the capitalisation of the indebtedness payable by us to Kulim amounting to RM172,636,978 via the issuance of 172,636,978 new Shares to Kulim. For information purposes, the total indebtedness of approximately RM172.6 million comprises a portion of the Kulim's Outstanding Liabilities (under the TF-i Facility and RC-i Facility) amounting to RM101.2 million owed by us to Kulim as well as advances amounting to approximately RM71.4 million extended by Kulim to us which were mainly used for our working capital purposes.

6.1.6 Share Split

In conjunction with our Listing, we had on 24 April 2024, completed the Share Split which entails the subdivision of our existing Shares into 2,036,000,000 Shares to enhance the liquidity of our Shares at the time of our Listing.

6.2 KEY EVENTS AND MILESTONES

The table below sets out the key events and milestones in the history and development of our business, plantation estates and POMs:

Year	Event
1975	JPG Plantations was incorporated as a wholly-owned subsidiary of Kulim* and commenced its plantation operations with the ownership of 2 plantation estates, namely Tereh Utara Estate and Tereh Selatan Estate
	* Kulim owned 6 other plantation estates, namely Basir Ismail Estate, Bukit Layang Estate, Labis Bahru Estate, Mutiara Estate, REM Estate and Selai Estate
1978	We were incorporated and commenced our plantation operations under the name Yule Catto Plantations Sdn Bhd with the ownership of 3 plantation estates, namely Sedenak Estate, Rengam Estate and UMAC Estate. JCorp^ owned 35.0% equity interest in our Company, while the remaining 65.0% was owned by Malaya General (Holdings) Limited
	^ JCorp owned 11 other plantation estates, namely the Malay Reserved Estates, Kuala Kabong Estate, Sepang Loi Estate, Sindora Estate, Sungai Papan Estate, Siang Estate, Pasir Panjang Estate, Mungka Estate and Palong Estate
1979	JPG Plantations began commercial operations of our Tereh POM with a processing capacity of 30 MT per hour
1981	We began commercial operations of our Sedenak POM with a processing capacity of 30 MT per hour
1991	<ul style="list-style-type: none"> JCorp acquired the remaining 65.0% equity interest in our Company We upgraded the capacity of Tereh POM from 30 MT per hour to 60 MT per hour

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Event
1993	We changed our name to Mahamurni Plantations Sdn Bhd
1994	JCorp transferred its entire equity interest in our Company to Kulim
1998	Our Sindora POM (then owned by Sindora before the Pre-Listing Restructuring) began commercial operations with a capacity of 45 MT per hour
2004	Kulim acquired Sepang Loi Estate (then held under Kumpulan Bertam before the Pre-Listing Restructuring) from JCorp
2005	We upgraded the capacity of Sedenak POM from 30 MT per hour to 90 MT per hour
2008	Kulim acquired Sindora Estate and Sindora POM (then held under Sindora before the Pre-Listing Restructuring) from JCorp
2009	<ul style="list-style-type: none"> • Through Kulim, we became a RSPO-certified producer when 10 of our plantation estates were certified by RSPO, namely Tereh Utara Estate, Tereh Selatan Estate, Sedenak Estate, Rengam Estate, Basir Ismail Estate, Mutiara Estate, REM Estate, Selai Estate, Sindora Estate and Kuala Kabong Estate. RSPO membership is held by JCorp, and Kulim and our Company are recognised group members of JCorp by RSPO. • Sindora (a subsidiary of Kulim) acquired Sungai Tawing Estate from Sime Darby Plantation Sdn Bhd
2011	We completed the acquisition of Sungai Papan Estate, Siang Estate, Pasir Panjang Estate, Mungka Estate and Palong Estate, together with the Pasir Panjang POM and Palong POM with processing capacity of 45 MT and 40 MT per hour respectively, from the JCorp Group
2016	Completion of the Privatisation of Kulim
2019	<ul style="list-style-type: none"> • We upgraded the capacity of Pasir Panjang POM from 45 MT per hour to 60 MT per hour • We signed a gas purchase agreement with Gas Malaysia Green Ventures for the supply of biomethane over a contract period of 15 years
2021	<ul style="list-style-type: none"> • We entered into the Tenancy Agreement with JCorp to rent the Malay Reserved Estates, which consist of the Bukit Payung Estate (merged administratively into Pasir Panjang Estate since 2021), Tunjuk Laut Estate, Bukit Kelompok Estate and Pasir Logok Estate for a period of 3 years, commencing from 1 July 2020 to 30 June 2023 • We entered into a gas purchase agreement with Gas Malaysia Green Ventures for the supply of bio-CNG to be injected into the natural gas distribution system within Peninsular Malaysia

6. INFORMATION ON OUR GROUP (CONT'D)

Year	Event
2022	<ul style="list-style-type: none"> We completed the Pre-Listing Restructuring on 1 December 2022 which mainly involved the acquisition of oil palm plantation business carried out on 9 plantation estates, namely Basir Ismail Estate, Bukit Layang Estate, Labis Bahru Estate, Mutiara Estate, REM Estate, Selai Estate, Sepang Loi Estate, Sindora Estate (together with Sindora POM) and Sungai Tawing Estate from Kulim and its group of companies, save for the transfer of lands on which 12 plantations are situated, which was subsequently completed on 30 June 2023 We acquired 55.0% equity interest in JPG Greenergy Ventures and the entire equity interest in JPG Plantations, JPG Jenterra, JPG Planterra, JPG Terrasolutions and JPG Greenergy as part of the Pre-Listing Restructuring The tenancy agreement in respect of the Kuala Kabong Estate entered into between Kulim (as tenant) and JCorp (as landlord) was novated to us
2023	<ul style="list-style-type: none"> We commissioned our first biomethane generation facility at Sedenak POM We entered into the Renewal Tenancy Agreement with JCorp for the renewal of the term of the Tenancy Agreement for an additional period of 3 years, effective from 1 July 2023 to 30 June 2026 We converted into a public limited company and changed our name to Johor Plantations Berhad in February 2023, and subsequently to Johor Plantations Group Berhad in November 2023 to facilitate our Listing
2024	<ul style="list-style-type: none"> We entered into the Shareholders' Agreement with Fuji Oil Asia Pte Ltd to jointly undertake our downstream plantation business We entered into the Second Supplemental Agreement with JCorp to further amend the terms of the Tenancy Agreement, which provides us with an express right to extend the term of the tenancy of the Malay Reserved Estates for subsequent term following its expiry on 30 June 2026, subject to the terms of the Second Supplemental Agreement

6.3 OUR SHARE CAPITAL

As at the LPD, our issued share capital is approximately RM1.5 billion comprising 2,036,000,000 Shares. Save as disclosed below, there has been no change in our issued share capital for the Financial Years Under Review up to the LPD:

Date of allotment	No. of Shares	Consideration	Cumulative issued share capital (RM)
1 December 2022	1,292,930,794	Otherwise than cash	1,329,362,794
6 December 2023	172,636,978	Otherwise than cash	1,501,999,772
24 April 2024	-	Share Split	1,501,999,772

None of our Shares and the shares in our subsidiaries were issued and allotted at a discount or have any special terms. Our issued Shares and the issued shares in our subsidiaries are fully paid-up. There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of our Shares as at the LPD.

6. INFORMATION ON OUR GROUP (CONT'D)

6.4 INFORMATION ON OUR SUBSIDIARIES

6.4.1 JPG Plantations

(i) Background and principal activities

JPG Plantations was incorporated in Malaysia under the Companies Act 1965 on 22 July 1975 as a private limited company under the name of Kulim Holdings (Malaysia) Sdn Bhd and is deemed registered under the Act. It changed its name to Kulim Plantations (Malaysia) Sdn Bhd on 9 March 1988 and assumed its present name on 21 June 2023.

JPG Plantations is principally involved in the production of palm oil and palm kernels. The principal place of business of JPG Plantations is at K.B. 705, Ulu Tiram Estate, 80990 Johor Bahru, Johor, Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of JPG Plantations is RM22,472,352 comprising 22,000,000 ordinary shares. There has been no change in the issued share capital of JPG Plantations for the Financial Years Under Review up to the LPD.

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in JPG Plantations as at the LPD.

(iii) Substantial shareholder

As at the LPD, JPG Plantations is our wholly-owned subsidiary.

(iv) Directors

As at the LPD, the directors of JPG Plantations are Mohd Faris Adli Bin Shukery and Aziah Binti Ahmad.

(v) Subsidiary, associate and joint venture

JPG Plantations does not have any subsidiary, associate or joint venture.

6.4.2 JPG Greenergy

(i) Background and principal activities

JPG Greenergy was incorporated in Malaysia under the Companies Act 1965 on 18 January 2005 as a private limited company under the name of Natural Alcohols Sdn Bhd and is deemed registered under the Act. It changed its name to The Secret of Secret Garden Sdn Bhd on 26 November 2009, SG Lifestyles Sdn Bhd on 10 August 2015 and subsequently to Kulim Greenergy Sdn Bhd on 17 November 2021 before assuming its present name on 14 June 2023.

JPG Greenergy is principally involved in the production of biomethane. The principal place of business of JPG Greenergy is at K.B. 705, Ulu Tiram Estate, 80990 Johor Bahru, Johor, Malaysia.

6. INFORMATION ON OUR GROUP (CONT'D)**(ii) Share capital**

As at the LPD, the issued share capital of JPG Greenergy is RM15,079,656 comprising 15,079,656 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of JPG Greenergy for the Financial Years Under Review up to the LPD:

<u>Date of allotment</u>	<u>No. of shares</u>	<u>Consideration</u>	<u>Cumulative issued share capital (RM)</u>
20 October 2021	1,479,656	Otherwise than cash	12,479,656
30 August 2023	2,600,000	Cash	15,079,656

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in JPG Greenergy as at the LPD.

(iii) Substantial shareholder

As at the LPD, JPG Greenergy is our wholly-owned subsidiary.

(iv) Directors

As at the LPD, the directors of JPG Greenergy are Mohd Faris Adli Bin Shukery and Wan Adlin Bin Wan Mahmood.

(v) Subsidiary, associate and joint venture

JPG Greenergy does not have any subsidiary, associate or joint venture.

6.4.3 JPG Greenergy Ventures**(i) Background and principal activities**

JPG Greenergy Ventures was incorporated in Malaysia under the Companies Act 1965 on 10 January 2013 as a private limited company under the name of Oracle Junction Sdn Bhd and is deemed registered under the Act. It changed its name to Granulab Marketing Sdn Bhd on 2 May 2013, Sindora Marketing Sdn Bhd on 13 December 2016 and subsequently to Kulim Green Energy Ventures Sdn Bhd on 16 July 2019 before assuming its present name on 14 June 2023.

JPG Greenergy Ventures is principally involved in the production of biomethane. The principal place of business of JPG Greenergy Ventures is at K.B. 705, Ulu Tiram Estate, 80990 Johor Bahru, Johor, Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of JPG Greenergy Ventures is RM4,930,668 comprising 4,930,668 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of JPG Greenergy Ventures for the Financial Years Under Review up to the LPD:

<u>Date of allotment</u>	<u>No. of shares</u>	<u>Consideration</u>	<u>Cumulative issued share capital (RM)</u>
20 January 2020	999,998	Cash	1,000,000
22 April 2021	1,500,000	Cash	2,500,000
31 December 2023	2,430,668	Cash	4,930,668

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in JPG Greenergy Ventures as at the LPD.

6. INFORMATION ON OUR GROUP (CONT'D)**(iii) Substantial shareholders**

The details of the substantial shareholders of JPG Greenergy Ventures and their respective shareholdings in JPG Greenergy Ventures as at the LPD are as follows:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
JPG	2,711,868	55.0	-	-
MTC Orec Sdn Bhd	2,218,800	45.0	-	-
Kulim	-	-	(1)2,711,868	55.0
JCorp	-	-	(2)2,711,868	55.0
MTC Engineering Consultancy Sdn Bhd	-	-	(3)2,218,800	45.0
O'Rec Energy Sdn Bhd	-	-	(3)2,218,800	45.0
Mohd Fauzi Bin Ya'akob	-	-	(4)2,218,800	45.0
Norshah Hafeez Bin Shuaib	-	-	(4)2,218,800	45.0
Zahari Bin Mohamad	-	-	(5)2,218,800	45.0
Zulkifli Bin Mohamad	-	-	(5)2,218,800	45.0

Notes:

- (1) Deemed interested pursuant to Section 8(4) of the Act by virtue of us being a wholly-owned subsidiary of Kulim.
- (2) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in Kulim.
- (3) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in MTC Orec Sdn Bhd.
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding in MTC Engineering Consultancy Sdn Bhd.
- (5) Deemed interested pursuant to Section 8(4) of the Act by virtue of his shareholding in O'Rec Energy Sdn Bhd.

(iv) Directors

As at the LPD, the directors of JPG Greenergy Ventures are Mohd Faris Adli Bin Shukery, Mohamad Yami Bin Bakar, Wan Adlin Bin Wan Mahmood, Norshah Hafeez Bin Shuaib and Zahari Bin Mohamad. For information purpose, Norshah Hafeez Bin Shuaib and Zahari Bin Mohamad are directors of MTC Engineering Consultancy Sdn Bhd and O'Rec Energy Sdn Bhd respectively and they are not related to our Group.

(v) Subsidiary, associate and joint venture

JPG Greenergy Ventures does not have any subsidiary, associate or joint venture.

6. INFORMATION ON OUR GROUP (CONT'D)

6.4.4 JPG Jenterra

(i) Background and principal activities

JPG Jenterra was incorporated in Malaysia under the Companies Act 1965 on 20 July 1992 as a private limited company under the name of Hazel Enterprise Sdn Bhd and is deemed registered under the Act. It changed its name to Edaran Badang Sdn Bhd on 15 February 1994 and assumed its present name on 14 June 2023.

JPG Jenterra is principally involved as a dealer in agricultural machinery and parts. The principal place of business of JPG Jenterra is at Lot 2135, Batu 23 1/2, Jalan Kota Tinggi, 81900 Kota Tinggi, Johor, Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of JPG Jenterra is RM4,000,000 comprising 4,000,000 ordinary shares. There has been no change in the issued share capital of JPG Jenterra for the Financial Years Under Review up to the LPD.

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in JPG Jenterra as at the LPD.

(iii) Substantial shareholder

As at the LPD, JPG Jenterra is our wholly-owned subsidiary.

(iv) Directors

As at the LPD, the directors of JPG Jenterra are Mohd Raziz Bin Rahmat (Head of JPG Jenterra) and Azhar Bin Ahmad (our Deputy General Manager, Chief Operating Officer Office).

(v) Subsidiary, associate and joint venture

JPG Jenterra does not have any subsidiary, associate or joint venture.

6.4.5 JPG Planterra

(i) Background and principal activities

JPG Planterra was incorporated in Malaysia under the Companies Act 1965 on 19 January 2009 as a private limited company under the name of Kulim Nursery Sdn Bhd and is deemed registered under the Act. It changed its name to Cultination Sdn Bhd on 7 September 2022 and assumed its present name on 14 June 2023.

JPG Planterra is principally involved in the sales of palm nursery and other plantation products and services. The principal place of business of JPG Planterra is at 1st Floor, Wisma KNSB, No. 416, Jalan Kenanga 29/10, Indahpura Kulaijaya, 81000 Johor Bahru, Johor, Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of JPG Planterra is RM9,000,000 comprising 9,000,000 ordinary shares. There has been no change in the issued share capital of JPG Planterra for the Financial Years Under Review up to the LPD.

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in JPG Planterra as at the LPD.

6. INFORMATION ON OUR GROUP (CONT'D)

(iii) Substantial shareholder

As at the LPD, JPG Planterra is our wholly-owned subsidiary.

(iv) Directors

As at the LPD, the directors of JPG Planterra are Noryazid Bin Yaakub (Head of JPG Planterra), Mohamad Yami Bin Bakar and Wan Adlin Bin Wan Mahmood.

(v) Subsidiary, associate and joint venture

JPG Planterra does not have any subsidiary, associate or joint venture.

6.4.6 JPG Terrasolutions

(i) Background and principal activities

JPG Terrasolutions was incorporated in Malaysia under the Companies Act 1965 on 1 April 2010 as a private limited company under the name of Palma Bumimas Sdn Bhd and is deemed registered under the Act. It changed its name to Kulim Safety Training and Services Sdn Bhd on 16 August 2012 and assumed its present name on 15 June 2023.

JPG Terrasolutions is principally involved in the provision of training and safety-related services, and supply of safety products. The principal place of business of JPG Terrasolutions is at Lot 2135, Batu 23 1/2, Jalan Kota Tinggi, 81900 Kota Tinggi, Johor, Malaysia.

(ii) Share capital

As at the LPD, the issued share capital of JPG Terrasolutions is RM100,000 comprising 100,000 ordinary shares. There has been no change in the issued share capital of JPG Terrasolutions for the Financial Years Under Review up to the LPD.

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in JPG Terrasolutions as at the LPD.

(iii) Substantial shareholder

As at the LPD, JPG Terrasolutions is our wholly-owned subsidiary.

(iv) Directors

As at the LPD, the directors of JPG Terrasolutions are Noor Effendy Bin Mohd Ali (General Manager, Commodities Trading of JPG) and Murad Bin Siabu (Head of JPG Terrasolutions).

(v) Subsidiary, associate and joint venture

JPG Terrasolutions does not have any subsidiary, associate or joint venture.

6.4.7 JPG Fuji

(i) Background and principal activities

JPG Fuji was incorporated in Malaysia under the Act on 30 January 2024 as a private limited company under the name of JPG Refinery Sdn Bhd. It changed its name to JPG Fuji Sdn Bhd on 1 April 2024. JPG Fuji is principally involved in refining of oil palm and trading of palm oil products. As at the LPD, JPG Fuji does not have a principal place of business as it has yet to commence its commercial operations. JPG Fuji is in the midst of constructing a downstream refinery as part of our integrated sustainable palm oil complex (as set out in Section 7.3.4 of this Prospectus), which is expected to become operational by the 3rd quarter of 2026.

6. INFORMATION ON OUR GROUP (CONT'D)**(ii) Share capital**

As at the LPD, the issued share capital of JPG Fuji is RM100 comprising 100 ordinary shares. Save as disclosed below, there has been no change in the issued share capital of JPG Fuji since its incorporation up to the LPD:

<u>Date of allotment</u>	<u>No. of shares</u>	<u>Consideration</u>	<u>Cumulative issued share capital (RM)</u>
30 January 2024	2	Cash	2
27 March 2024	98	Cash	100

There are also no outstanding warrants, options, convertible securities or uncalled capital in respect of the ordinary shares in JPG Fuji as at the LPD.

(iii) Substantial shareholders

The details of the substantial shareholders of JPG Fuji and their respective shareholdings in JPG Fuji as at the LPD are as follows:

	<u>Direct</u>		<u>Indirect</u>	
	<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
JPG	51	51.0	-	-
Fuji Oil Asia Pte Ltd	49	49.0	-	-
Kulim	-	-	⁽⁴⁾ 51	51.0
JCorp	-	-	⁽⁵⁾ 51	51.0
Fuji Oil Holdings Inc. ⁽¹⁾	-	-	⁽⁶⁾ 49	49.0
ITOCHU Food Investment, LLC ⁽²⁾	-	-	⁽⁷⁾ 49	49.0
ITOCHU Corporation ⁽³⁾	-	-	⁽⁸⁾ 49	49.0

Notes:

- (1) Fuji Oil Holdings Inc., which is listed on the Tokyo Stock Exchange, is a 42.6%-owned associated company of ITOCHU Food Investment, LLC. (Source: Integrated Report 2023 of Fuji Oil Holdings Inc.)
- (2) ITOCHU Food Investment, LLC is a wholly-owned subsidiary of ITOCHU Corporation. The former is principally involved in research, consulting, investment and providing loans in provisions-related business. (Source: Annual Report 2023 of ITOCHU Corporation)
- (3) ITOCHU Corporation is listed on the Tokyo Stock Exchange. It is principally involved in the businesses of textile, machinery, metals and minerals, energy and chemicals, food, general products and realty as well as information and communications technology and financial business. (Source: Annual Report 2023 of ITOCHU Corporation)
- (4) Deemed interested pursuant to Section 8(4) of the Act by virtue of us being a wholly-owned subsidiary of Kulim.
- (5) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in Kulim.

6. INFORMATION ON OUR GROUP (CONT'D)

- (6) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in Fuji Oil Asia Pte Ltd.
- (7) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in Fuji Oil Holdings Inc.
- (8) Deemed interested pursuant to Section 8(4) of the Act by virtue of its shareholding in ITOCHU Food Investment, LLC.

(iv) Directors

As at the LPD, the directors of JPG Fuji are Mohd Faris Adli Bin Shukery, Aziah Binti Ahmad, Mohamad Yami Bin Bakar and Wan Adlin Bin Wan Mahmood, Teo Yong Wah, Katsuhiko Nagayama and Shinji Tejima.

(v) Subsidiary, associate and joint venture

JPG Fuji does not have any subsidiary, associate or joint venture.

6.5 ACCREDITATION AND AWARDS

During the Financial Years Under Review and up to the LPD, we have the following ISO accreditations awarded by the Department of Standards Malaysia:

Year	Event
2023	ISO/IEC 17025:2017 (General requirements for the competence of testing and calibration laboratories) ⁽¹⁾

Note:

- (1) The certificate was initially issued under the name of Kulim in 2017 and subsequently re-certified under our name in 2023.

In addition, we have also obtained the following awards during the Financial Years Under Review and up to the LPD:

Year	Description
2020	Institut Kimia Malaysia Laboratory Excellence Award 2020 from the Malaysian Institute of Chemistry
2021	Institut Kimia Malaysia Laboratory Excellence Award 2021 from the Malaysian Institute of Chemistry
2022	Institut Kimia Malaysia Laboratory Excellence Award 2022 from the Malaysian Institute of Chemistry
2023	<ul style="list-style-type: none"> • Institut Kimia Malaysia Laboratory Excellence Award 2023 from the Malaysian Institute of Chemistry • Best Employer Appreciation Award 2023 for Johor by Employees Provident Fund

6. INFORMATION ON OUR GROUP (CONT'D)**6.6 MATERIAL INVESTMENTS AND DIVESTITURES**

Save for the Pre-Listing Restructuring (the details which are set out in Section 6.1.4 of this Prospectus) and as disclosed below, we do not have any other material investments during the Financial Years Under Review and up to the LPD:

	FYE 2020	FYE 2021	FYE 2022	FYE 2023	1 January 2024
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	up to the LPD
					(RM'000)
Replanting costs incurred on our estates to replace old oil palms with new seedlings	35,338	27,553	28,597	45,981	8,960
Upgrading of Sindora POM from 45 MT per hour to 60 MT per hour ⁽¹⁾	-	2,335	10,558	25,099	3,230
Construction of biomethane plant at our Sedenak POM ⁽²⁾ and bio-CNG plants at our Tereh and Sindora POMs ⁽³⁾ for our renewable energy operations	583	13,196	18,987	9,845	1,480
	35,921	43,084	58,142	80,925	13,670

Notes:

- (1) The upgrading of the FFB processing capacity for our Sindora POM was completed in January 2024. For information purposes, the amount incurred between 1 January 2024 and the LPD was in relation to the final payment for work completed by the contractor.
- (2) The construction of the biomethane plant at our Sedenak POM was completed in June 2023.
- (3) The construction of the bio-CNG plants at our Tereh POM and Sindora POM is expected to be completed by the end of June 2024.

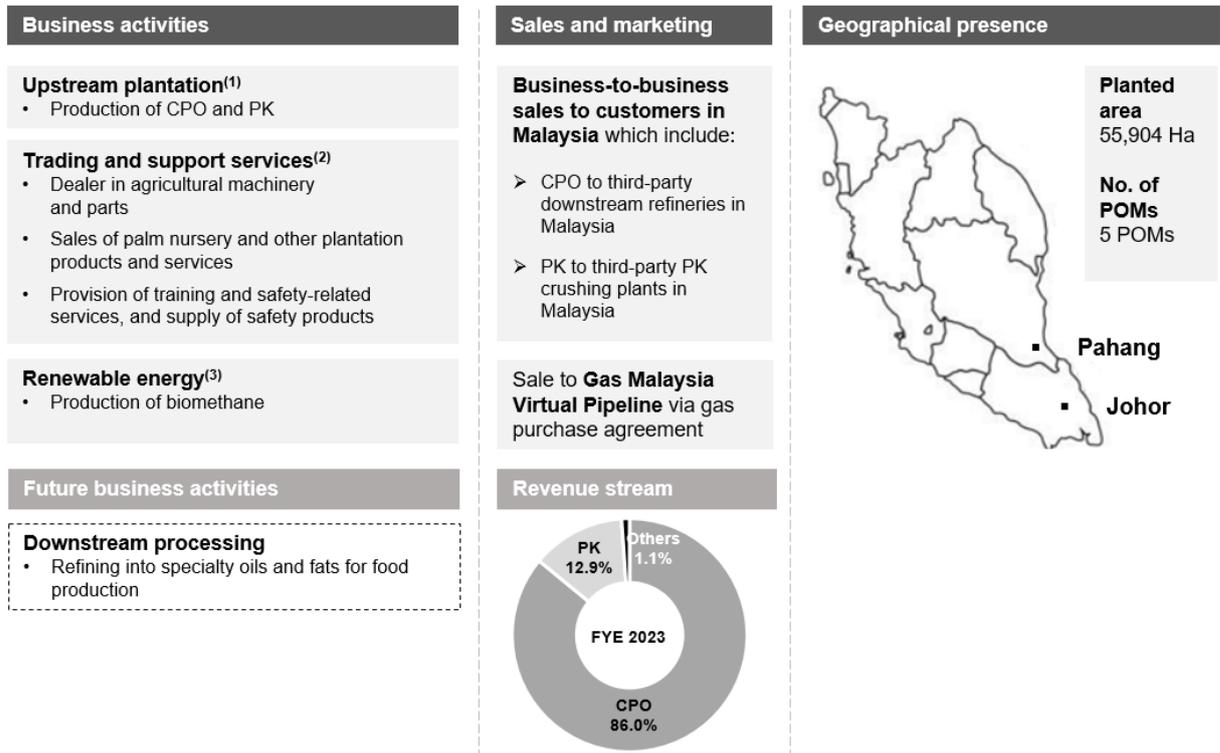
The above material investments were funded via our borrowings and internally generated funds. We do not have any material divestitures during the Financial Years Under Review and up to the LPD.

7. BUSINESS OVERVIEW

7.1 OUR BUSINESS

We are an upstream oil palm plantation company operating predominantly in Johor, Malaysia, and in connection with our IPO, we have plans to enter into the downstream plantation business. We primarily own, manage, and cultivate oil palms and harvest FFB produced on the plantation estates that we own or rent.

The diagram below sets out our business model, including our current upstream oil palm operations and our planned downstream operations:



Notes:

- (1) Our plantation segment accounted for 98.8%, 98.9%, 98.7% and 98.9% of our Group's revenue for the Financial Years Under Review.
- (2) Our trading and other support services segment accounted for 1.2%, 1.1%, 1.3% and 1.0% of our Group's revenue for the Financial Years Under Review.
- (3) Our renewable energy segment accounted for 0.1% of our Group's revenue for the FYE 2023. We began generating revenue from our new renewable energy business segment during the FYE 2023, whereby we sold the biomethane produced at our biomethane plant at Sedenak POM to Gas Malaysia Green Ventures since August 2023. However, operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident, as disclosed in Section 7.18.4 of this Prospectus. Restoration works were completed in May 2024 and we have since resumed operations at the said plant.

7. BUSINESS OVERVIEW (CONT'D)

As at the LPD, we operate 23 plantation estates, consisting of 22 plantation estates in Johor and 1 plantation estate in Pahang, with a total landbank of 59,781 Ha and a total oil palm planted area of 55,904 Ha, representing approximately 93.5% of the total land area. The remaining landbank of 3,877 Ha are unplantable areas used for buildings, roads and area identified as high conservation value area.

The table below sets out our total number of plantation estates, the total land area and total planted area of our owned and rented estates and, number of POMs, as at the LPD. The table does not include information regarding the 3 third-party estates that we manage but do not own or rent.

	Johor	Pahang	Total
Number of plantation estates			
- Owned ⁽¹⁾	18	1	19
- Rented	4	-	4
	<u>22</u>	<u>1</u>	<u>23</u>
Total land area (Ha)			
- Owned	47,028	1,625	48,653
- Rented (Malay reserve land status) ⁽²⁾	9,213	-	9,213
- Rented (non-Malay reserve land status) ⁽³⁾	1,915	-	1,915
	<u>58,156</u>	<u>1,625</u>	<u>59,781</u>
Total oil palm planted area (Ha)			
- Immature (less than 3 years)	3,787	29	3,816
- Mature young (4 to 8 years) ⁽⁴⁾	8,011	-	8,011
- Prime young (9 to 18 years) ⁽⁴⁾	29,621	751	30,372
- Prime old (19 to 22 years)	7,919	776	8,695
- Old (23 years and above)	5,010	-	5,010
	<u>54,348</u>	<u>1,556</u>	<u>55,904</u>
Percentage of total land area	90.9%	2.6%	93.5%
Number of POMs	5	-	5

Notes:

- (1) Includes 2 estates which we partially own and partially rent from JCorp, Kulim and Johor Land (refer to notes (2)(b), (3)(b) and (3)(c) below), namely Pasir Panjang Estate and REM Estate.
- (2) We rent the Malay Reserved Estates from JCorp which include:
- (a) the Tunjuk Laut Estate, Pasir Logok Estate, Bukit Kelompok Estate; and
 - (b) 2,307 Ha of the Pasir Panjang Estate (approximately 58.9% of the total land area of the Pasir Panjang Estate, the area which was previously known as the Bukit Payung Estate). The Bukit Payung Estate was merged administratively into our Pasir Panjang Estate in 2021.

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7. BUSINESS OVERVIEW (CONT'D)

For information purposes, the Malay Reservations Enactment 1936 prohibits any transfer, charge, lease or disposal of the Malay Reserved Estates, or any part thereto, to a non-Malay. In calculating the terms of a lease and tenancy, the National Land Code provides that if the term is for a fixed period, no account shall be taken of the fact that it is capable of renewal in pursuance of an option. In other words, the renewal term and the option to renew contained in the Tenancy Agreement should not be taken into consideration in ascertaining the term of the rental of the Malay Reserved Estates, as the rental of the Malay Reserved Estates is for a fixed principal term of 3 years and any renewal of the term of the tenancy of the Malay Reserved Estates is subject to our exercise of the renewal right and compliance with the terms of the Tenancy Agreement. As such, our legal advisers as to Malaysian law opined that the rental of the Malay Reserved Estates by us from JCorp via the Tenancy Agreement and the Renewal Tenancy Agreement, which is for a duration not exceeding 3 years each, constitutes a tenancy and is akin to a right to use the Malay Reserved Estates and does not contravene or constitute a circumvention of the provisions of the Malay Reservations Enactment 1936. Further, the Johor State Government has also indicated that it has no objection to our consecutive renewal of the tenancy arrangement with JCorp in respect of the Malay Reserved Estates to ensure the success of our collaboration with Fuji Oil Asia Pte Ltd for the integrated sustainable palm oil complex. We do not have any intention to acquire the Malay Reserved Estates from JCorp or Kulim at this juncture.

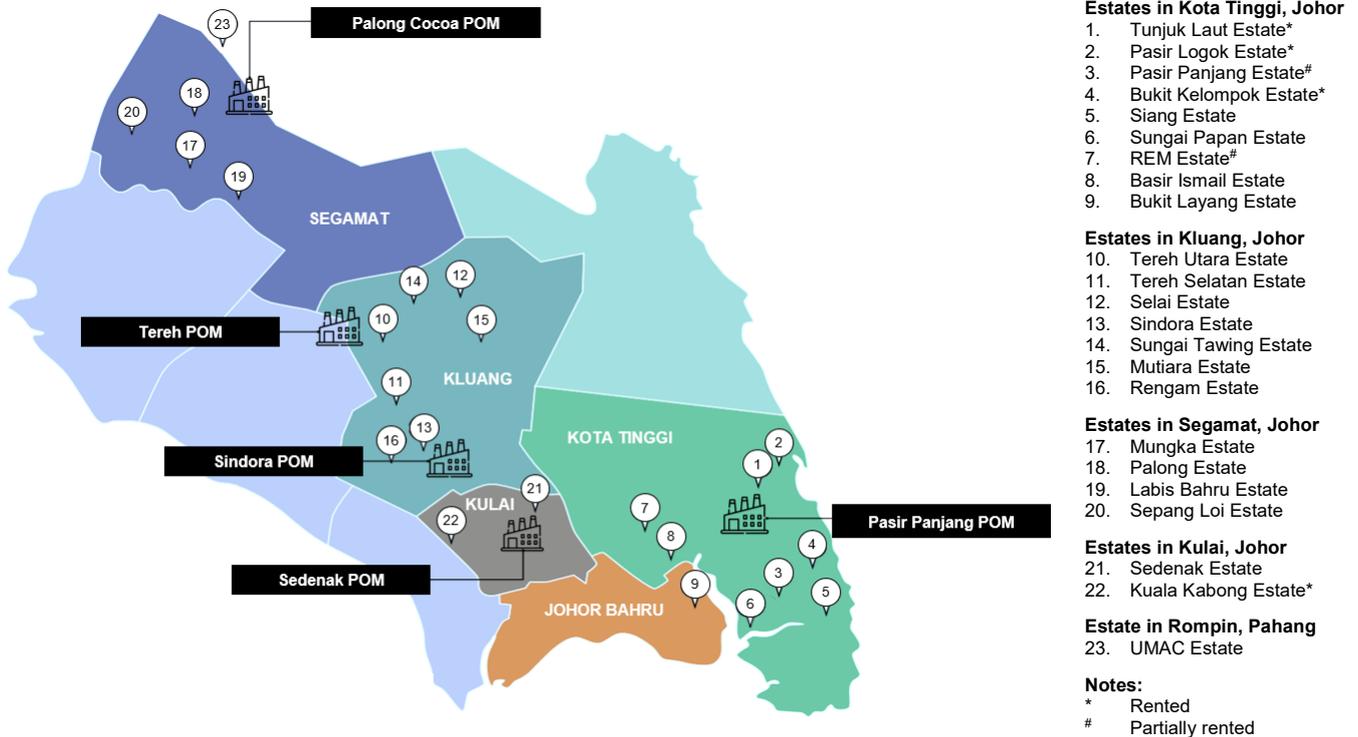
- (3) We rent the following estates which have been designated by the JCorp Group for future property development:
- (a) 1,511 Ha of the Kuala Kabong Estate from JCorp for an approximately 2-year tenancy period from 1 December 2022 to 31 December 2024;
 - (b) 175 Ha of the REM Estate (approximately 6.7% of the total land area of the REM Estate) from Kulim for a 3-year tenancy period from 1 December 2022 to 30 November 2025. However, Kulim has informed us that it is in the process of disposing of a portion of the REM Estate measuring 29 Ha, and we will then cease our tenancy in respect of such area once the disposal is completed. The disposal is not expected to have any material impact to our business operations and financial performance as the land area represented less than 0.1% of our total landbank; and
 - (c) 229 Ha of the REM Estate (approximately 8.8% of the total land area of the REM Estate) from Johor Land for an approximately 2-year tenancy period from 1 December 2022 to 31 December 2024.
- (4) Out of the total planted area of mature young and prime young oil palms of 38,383 Ha as at the LPD, 32,102 Ha or approximately 83.6% of the mature young and prime young oil palms were planted on estates owned by us.

For information purposes, the estimated revenue contribution from our rented estates during the Financial Years Under Review ranges between 12.2% and 13.6% for the Malay Reserved Estates and between 1.7% and 2.3% for the non-Malay Reserved Estates (i.e. 1,511 Ha of Kuala Kabong Estate and 404 Ha of REM Estate). Such revenue contribution was computed based on our estimated oil and kernel extraction rates as well as the average selling prices of CPO, PK and FFB during the respective financial years. As at the LPD, we also:

- (i) manage 3 third-party plantation estates with a total land area of 1,549 Ha where we generate management fee income and purchase all FFB harvested from these managed estates; and
- (ii) own 5 POMs that are strategically located within close proximity to most of our plantation estates where we process FFB to produce CPO and PK.

7. BUSINESS OVERVIEW (CONT'D)

Save for our UMAC Estate, that is located in the District of Rompin at Pahang, all of our other estates and POMs are located in various districts in Johor as follows:



The table below sets out the plantation estates that we operate and manage as at the LPD:

Owned

1. Basir Ismail Estate
2. Bukit Layang Estate
3. Labis Bahru Estate
4. Mungka Estate
5. Mutiara Estate
6. Palong Estate
7. Pasir Panjang Estate⁽¹⁾
8. REM Estate⁽²⁾
9. Rengam Estate
10. Sedenak Estate

Owned (cont'd)

11. Selai Estate
12. Sepang Loi Estate
13. Siang Estate
14. Sindora Estate
15. Sungai Papan Estate
16. Sungai Tawing Estate
17. Tereh Selatan Estate
18. Tereh Utara Estate
19. UMAC Estate

Rented

1. Bukit Kelompok Estate
2. Kuala Kabong Estate
3. Pasir Logok Estate
4. Tunjuk Laut Estate

Managed

1. MAINJ Estate⁽³⁾
2. Asam Bubok Estate⁽⁴⁾
3. Air Manis Estate⁽⁵⁾

Notes:

- (1) Bukit Payung Estate is one of the Malay Reserved Estates that we rent from JCorp. It has been merged administratively into our Pasir Panjang Estate since 2021. Bukit Payung Estate measures 2,307.6 Ha or approximately 58.9% of the total land area of Pasir Panjang Estate.
- (2) We rent 404 Ha or approximately 15.5% of the total land area of REM Estate, which consists of 229 Ha that is rented from Johor Land and 175 Ha that is rented from Kulim. However, Kulim has informed us that it is in the process of disposing of a portion of the REM Estate measuring 29 Ha, and we will then cease our tenancy in respect of such area once the disposal is completed. The disposal is not expected to have any material impact to our business operations and financial performance as the land area represented less than 0.1% of our total landbank.

7. BUSINESS OVERVIEW (CONT'D)

- (3) We provide management services at the MAINJ Estate pursuant to a management agreement with MAINJ until the expiry of the management agreement in December 2019. Notwithstanding the expiration of the said management agreement, we have continued to provide management services at the MAINJ Estate and MAINJ have made payments to us for our services. As at the LPD, we are in the process of negotiating the terms for a formal renewal of the management agreement. It is anticipated that the management agreement will be finalised and executed between MAINJ and us by the end of June 2024.
- (4) On 1 September 2021, we have entered into a management agreement with Asam Bubuk Sdn Bhd to provide management services to Asam Bubuk Sdn Bhd at Asam Bubok Estate for a term of 5 years, commencing from 1 January 2020 to 31 December 2024.
- (5) We entered into a management agreement with Southern Catalyst Sdn Bhd to provide management services to Southern Catalyst Sdn Bhd on 16 June 2022 at Air Manis Estate for a term of 1 year, commencing from 1 June 2022 to 31 May 2023, which was extended for a further period of 7 months expiring on 31 December 2023. We have subsequently entered into a new management agreement with Southern Catalyst Sdn Bhd on 19 November 2023 to provide management services at Air Manis Estate for a further term of 1 year, commencing from 1 January 2024 to 31 December 2024.

We sell our CPO to third-party downstream refineries in Malaysia for further processing into edible oils or oleochemical products. We sell our PK to third-party PK crushing plants in Malaysia to produce PK products.

All of our POMs and estates are RSPO-certified. RSPO certification is recognised as a global benchmark for sustainability in the plantation industry, to which we adhere to all the following principles as set out in the RSPO Principles & Criteria 2018:

- (i) behave ethically and transparently;
- (ii) operate legally and respect rights;
- (iii) optimise productivity, efficiency, positive impacts and resilience;
- (iv) respect community and human rights, and deliver benefits;
- (v) support smallholders' inclusion;
- (vi) respect workers' rights and inclusion; and
- (vii) protect, conserve and enhance ecosystems, and the environment.

In addition to our core business in the plantation segment, we are also involved in the following business activities provided to both external and related parties⁽¹⁾:

- (i) trading of agricultural machineries and parts for plantation use;
- (ii) selling of germinated seeds that we develop through plant breeding, ornamental plants, biofertilisers, and providing related services, such as landscaping;
- (iii) providing training and advisory services relating to occupational safety and health; and
- (iv) generating and supplying renewable energy, in particular, biomethane gas that is generated from our palm oil waste.

7. BUSINESS OVERVIEW (CONT'D)

Note:

- (1) Please refer to Section 10.1 of this Prospectus for further details of our material transactions with our related parties.

For further details on our plans to enter into the downstream business, please refer to Section 7.3.4 of this Prospectus.

7.2 COMPETITIVE STRENGTHS

7.2.1 We are regionally focused, with a large existing landbank in Johor and a strong operational track record

We are well-positioned to expand our presence in Johor as opportunities arise and increase production due to our existing size and scale and extensive industry experience focused primarily in Johor.

(i) Large landbank in Johor provides operational scale

We have a large existing landbank that spans close to 60,000 Ha in Johor. Our extensive landbank accounts for approximately 1% of the planted and mature area under oil palm in Malaysia, according to the IMR Report. The vast majority of our estates are located in Johor, where our landbank accounts for approximately 8.1% of the planted area and mature area, and approximately 13.6% of the estate area in Johor, according to the IMR Report. Our plantation operations cover a total planted area of 55,904 Ha, excluding our managed estates. The scale of our operations contributes to our cost competitiveness especially in terms of plantation input costs such as fertilisers, tools, machinery, and good agricultural practices.

The potential for long-term expansion of brownfield landbank for oil palm is limited in Johor due to the scarcity of land. In addition, most land suitable for brownfield projects is held by Malaysian state-owned agencies or private parties. Further, competition in our industry is limited due to the combination of high land costs in the region and the limited availability of land areas of 10,000 Ha or larger with a mill that can support plantation operations. These factors present a barrier for new entrants and provide us with a competitive advantage over other existing players in our industry due to our strong operational track record and the foundational support of our Promoters and Substantial Shareholders, namely JCorp and Kulim.

As part of our strategy to increase our CPO production, we rent the Malay Reserved Estates and a portion of the Pasir Panjang Estate from JCorp via the Tenancy Agreement. This provides us with an additional 9,213 Ha of landbank in Johor. In September 2023, we entered into the Renewal Tenancy Agreement with JCorp to renew the term of the Tenancy Agreement for an additional period of 3 years, effective from 1 July 2023 to 30 June 2026. Please refer to Section 7.9 of this Prospectus for details of the Tenancy Agreement and the Renewal Tenancy Agreement.

Further, we have entered into an arrangement with JCorp to rent the Kuala Kabong Estate until 31 December 2024. This provides us with an additional 1,511 Ha of landbank in Johor. We also rent 404 Ha of the REM estate (approximately 15.5% of the total land area of the REM Estate), which consists of 229 Ha that is rented from Johor Land and 175 Ha that is rented from Kulim. However, Kulim has informed us that it is in the process of disposing of a portion of the REM Estate measuring 29 Ha, and we will then cease our tenancy in respect of such area once the disposal is completed. The disposal is not expected to have any material impact to our business operations and financial performance as the land area represented less than 0.1% of our total landbank.

7. BUSINESS OVERVIEW (CONT'D)

(ii) Favourable age and topographical profile of oil palms

As at the LPD, approximately 54.3% of our total oil palm planted area were planted with prime young oil palms aged between 9 to 18 years. Our oil palms, which had a weighted average age of 13.9 years as at the LPD, have a favourable age profile that we actively manage through replanting and land acquisition or rental. We believe this positions us well to sustain and expand production. Oil palms reach their prime maturity and peak production period when they become prime young oil palms at approximately 9 to 18 years after they are planted. Prime young oil palms can generally produce more than 25 MT of FFB per Ha per year. Approximately 14.3% of our palms are mature young oil palms between the ages of 4 to 8 years. These mature young oil palms will reach peak maturity when they reach their prime young age between 2024 and 2028.

The table below sets out the age profile of the total oil palm planted area of our oil palm plantations, excluding managed estates, as at the LPD:

Average age profile of oil palm plantations as at the LPD						
Area planted	Less than 3 years (Immature)	4 to 8 years (Mature young)	9 to 18 years (Prime young)	19 to 22 years (Prime old)	23 years and above (Old)	Total
Total area planted (Ha)	3,816	8,011	30,372	8,695	5,010	55,904
% of the total oil palm planted area	6.8	14.3	54.3	15.6	9.0	100.0

As the majority of our oil palms are in their peak production years, we believe that the age profile of our oil palms will drive an increase in our FFB production in the coming years. We expect this FFB production growth to lead to an increase in CPO and PK production without significant additional expenditures on land acquisition or FFB purchases from third parties. We also have an annual replanting programme to maintain our oil palms at peak production age. Given the distribution of the age profile of our oil palms, we maintain a relatively low annual replanting target of up to 4% of our total oil palm planted area.

For the Financial Years Under Review, we replanted a total area of 1,238 Ha, 1,122 Ha, 1,216 Ha and 1,484 Ha respectively (or less than 3% of our total oil palm planted area each year) and have spent approximately RM35.3 million, RM27.6 million, RM28.6 million and RM46.0 million respectively on replanting costs.

Our oil palm estates also have a favourable topographical profile that we are able to harvest and maintain. As at the LPD, approximately 71.2% of our plantation estates are located on flat or undulating terrain.

Our replanting programme also enables us to improve the quality of our oil palms through the use of developed seedlings specifically developed to increase yield based on topographical profile of our plantation estates. We replant using high-yielding material to increase our yield per Ha. Our current target for the adoption of clonal material in our annual replanting programme is between 18% to 35%. As at the LPD, a total of 4,703 Ha of our total planted area was planted with clonal palms, which are high-yielding planting materials that were planted through our replanting programme.

7. BUSINESS OVERVIEW (CONT'D)

For the Financial Years Under Review, we achieved a palm product yield of 6.0 MT per Ha, 5.3 MT per Ha, 5.7 MT per Ha and 5.1 MT per Ha respectively. By replacing older trees with higher yield clonal palms, we aim to attain a palm product yield of 7.0 MT per Ha from our mature oil palm plantings by increasing our planted area using clonal palms to about 10% by 2025 as compared to our planted area using clonal palms of about 8% during the FYE 2023. We believe that this can enable us to generate more revenue per Ha in the future. Please refer to Section 7.3.1 of this Prospectus for further details on our plan in increasing our CPO production output.

(iii) Operational efficiency and excellence

Our regionally-focused operations with a large existing landbank in Johor have consistently outperformed the industry average (i.e. MPOB benchmark) measured across our key performance indicators (i.e. average FFB yield per Ha, oil extraction rate and average CPO selling price) during the Financial Years Under Review. The table below illustrates our superior operational performance in terms of our average FFB yield per Ha, oil extraction rate and average CPO selling price, in each case as compared to the national MPOB benchmark average:

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	Our average	MPOB average						
FFB yield per Ha (MT per Ha)	22.9	16.7	20.1	15.5	22.1	15.5	20.3	15.8
Oil extraction rate (%)	21.0	19.9	20.8	20.0	20.3	19.7	19.9	19.9
CPO selling price (RM per MT)	2,753	2,686	4,422	4,407	5,177	5,088	3,989	3,810

As at the LPD, we have 23 plantation estates, consisting of 22 plantation estates in Johor and 1 plantation estate in Pahang. Due to the close proximity of our plantation estates to our POMs, we are able to optimise efficiency and achieve cost synergies through lower overheads, such as transportation and management costs, particularly where we have plantation estates that are contiguously situated. We are also able to optimise our milling operations because all 5 of our POMs are strategically located within close proximity of no more than 150 kilometres from our plantation estates, which enables us to strategically route FFB to the nearest POM and deliver our FFB to our POMs within 24 hours of harvesting. This helps us to control and minimise transportation costs and FFB spoilage and for our POMs to have quantities of FFB that are necessary to maximise productivity.

We align our operating standards to RSPO principles and believe that this is an efficient and socially and environmentally responsible way of operating sustainably. We are gradually reducing our greenhouse gas emissions. In 2021, our carbon dioxide emission from our plantation estates of 1.1 MT per MT of CPO/PK was lower compared to the average carbon footprint among RSPO producers of approximately 3.2 MT per MT of CPO, according to the RSPO's Impact Report 2022. Please refer to Section 7.2.2(v) of this Prospectus for our renewable energy initiatives.

We recycle water from steriliser condensates in our POMs. We monitor the biochemical oxygen demand of surrounding water bodies to ensure our effluents stays below permissible limits. We install water catchment areas to harvest rainwater.

7. BUSINESS OVERVIEW (CONT'D)

Our initiatives to reduce carbon emissions include:

- (i) utilising biogas, PK shells and mesocarp fibre for power generation, which reduces our electricity offtake from the national grid and lowers methane emissions from our biowaste;
- (ii) composting EFB and POME to recycle nutrients back into the soil as mulch and bio-compost;
- (iii) improving conservation and maintenance of biodiversity in high conservation value areas and high carbon stock areas;
- (iv) adhering to our “No Deforestation, No New Development on Peat and No Exploitation (of human rights)” policy;
- (v) refraining from till farming or burning and utilising cover crop and pulverisation;
- (vi) moderating our use of chemicals through integrated pest management and natural pest control strategies;
- (vii) recycling water from steriliser condensates in our POMs;
- (viii) monitoring biochemical oxygen demand of surrounding water bodies to ensure our effluents stays below permissible limits; and
- (ix) installing water catchment areas to harvest rainwater and regulate water consumption of our POMs.

All of the FFB produced plantation estates that are owned and rented by us are RSPO-certified. Our FFB serves as the primary source of FFB supply for our POMs to process. 4 of our POMs, namely the Sindora POM, Tereh POM, Pasir Panjang POM and Palong Cocoa POM, are Identity Preserved Mills that exclusively produce RSPO-certified sustainable palm oil. Our Sedenak POM is a Mass Balance Mill that mixes certified sustainable palm oil with non-certified CPO.

As at the LPD, we have a total of 5 POMs as set out below:

- (i) our Sedenak POM has been in commercial operation since 1981. In 2005, we upgraded the FFB processing capacity of our Sedenak POM from 30 MT per hour to 90 MT per hour;
- (ii) our Tereh POM has been in commercial operation since 1979. In 1991, we upgraded the FFB processing capacity of our Tereh POM from 30 MT per hour to 60 MT per hour;
- (iii) our Pasir Panjang POM has been in commercial operation since 1995. In 2019, we upgraded the FFB processing capacity of our Pasir Panjang POM from 45 MT per hour to 60 MT per hour;
- (iv) our Sindora POM has been in commercial operation since 1998. In January 2024, we have upgraded the FFB processing capacity of our Sindora POM from 45 MT per hour to 60 MT per hour; and
- (v) our Palong Cocoa POM has been in commercial operation since 1991 and has FFB processing capacity of 40 MT per hour. We have not upgraded the FFB processing of our Palong Cocoa POM as it currently has sufficient capacity to process the RSPO-certified FFB from nearby estates.

7. BUSINESS OVERVIEW (CONT'D)

Our FFB processing utilisation rate for each of our POM is set out below:

POM	Validity period of MPOB licence	Maximum FFB processing capacity per hour (MT)	Maximum FFB processing capacity per year⁽¹⁾ (MT)	Actual FFB processed⁽²⁾ (MT)	Utilisation rate⁽³⁾ (%)
Sedenak POM	1 January 2023 to 31 December 2023	90	450,000	408,635	90.8
Tereh POM	1 June 2022 to 31 May 2023	60	390,000	306,142	78.5
Pasir Panjang POM	1 January 2023 to 31 December 2023	60	300,000	204,981	78.8
Sindora POM ⁽⁴⁾	27 January 2023 to 31 December 2023 ⁽⁵⁾	45	260,000	218,364	84.0
Palong Cocoa POM	1 December 2022 to 30 November 2023	40	192,000	167,198	87.1

Notes:

- (1) Based on the maximum FFB processing capacity per year specified in the MPOB licences for the respective POMs, which is computed as each POM's maximum throughput per hour and assuming 2 working shifts of 8 hours per day.
- (2) Actual FFB processed during the latest annual validity period as set out in the MPOB licenses for the respective POMs.
- (3) Computed as actual FFB processed divided by maximum FFB processing capacity per year.
- (4) We upgraded the FFB processing capacity of our Sindora POM from 45 MT per hour to 60 MT per hour to increase our maximum FFB processing capacity per year from 260,000 MT to 396,000 MT in January 2024. The upgrade includes the modernisation of the sterilisation system, the crude oil clarification system, and the enhancement of the biomass power plant.
- (5) The validity period of the MPOB licence for our Sindora POM is less than 12 months due to re-issuance of the MPOB licence under our name on 27 January 2023 after the completion of the Pre-Listing Restructuring. This licence was initially issued under the name of Sindora which had a validity period of 1 year from 1 July 2022 to 30 June 2023.

7. BUSINESS OVERVIEW (CONT'D)

(iv) Mechanisation and digital transformation in operations

Our continued efforts to mechanise and digitise our operations have contributed to better cost management and productivity, and reduced reliance on manual labour. We have:

- (i) deployed the use of mini tractor, scissor lifts or grabbers as new methods of in-field evacuation for areas suitable for mini tractors to replace the mechanical buffalo;
- (ii) implemented the use of the bin system to replace the manual loading of FFB for speedy evacuation to the POMs; and
- (iii) adopted smart manure spreaders for precision manuring.

Digitalisation initiatives allow us to free up manual labour from monitoring, mapping, analysing and storing information and data on our plantations, streamlining our processes and increasing our efficiency.

We developed the K-Plant mobile application that we deploy in our operations. This mobile application provides real-time monitoring and reporting of various processes including sundry payments, check-rolls, nursery operations and harvesting, and is being used to replace manual in-field and mill tasks to provide a shared information database for plantation operations management.

We use a precision fertiliser application to optimise fertiliser utilisation. We began using spreaders with global positioning system or geographic information system technology, wherever possible, to establish traceability and digitalised reporting. We deploy a system that regulates and automates fertiliser application to improve yield quality with precise manure application. We use a carbon reporting tool to derive sustainability-related insights alongside established reporting and accounting. This eliminates the need for reporting using manual processes. It also allows our sustainability key performance indicators to be updated instantly as new data is integrated, and provides flexibility in integrating with various data sources for reporting.

We believe that digitalisation will be core to our culture in the future. Our employees and workers use digital technologies on a daily basis. With platforms such as Power Business Intelligence, we are leveraging data and analytics to improve the way we run our plantation estates, POMs, marketing, and the purchase of external crop. In order to achieve better supervision and control, we introduced the Supervisory Control and Data Acquisition System for the first digester control system at our Pasir Panjang POM during the 3rd quarter of 2022.

We also introduced K-For, a system to store relevant data of our foreign workers for better efficiency in managing our workers. In 2023, we launched a pilot project to update our Enterprise Resource Planning System to SAP S/4HANA Cloud and SAP Ariba for enhanced management, operations, administration, and accounting. This allows us to maintain our competitive edge and deliver long-term sustainable value.

We have adopted digital solutions to increase operational efficiency in our POM operations. This includes digital weighing, automated control system, computerised maintenance management system, Fourier-transform infrared spectroscopy for quality inspection, digital draft control system for smoke emission, automated sludge dewatering system for effluent treatment plant, digital sensor for ammonia level detection at water course and real-time update computerised emission system.

7. BUSINESS OVERVIEW (CONT'D)

(v) Strong track record and expertise in the Johor region

We have an extensive regional experience focused primarily in Johor. Our legacy in the Malaysian plantation sector dates back to 1933 when Kulim Rubber Plantations Limited was incorporated in the United Kingdom. Our understanding of Johor (in terms of its weather, soil, seasonality, supply chain, transportation, policies, and politics) and our experience in operating plantation estates in the region makes us a trusted producer and partner for both customers and local communities. We are well positioned to secure new land acquisition or rental opportunities in Johor, and maintain strong customer relationships. We believe that our successful track record, deep expertise, and strong reputation can enable us to seize opportunities to expand our plantation area and RSPO-certified FFB from third parties, which in turn will enable us to sustain and expand our production.

7.2.2 We seek to adhere to sustainable plantation practices and produce sustainable palm oil products

We believe that our investment in, and focus on, production of more sustainable and traceable palm oil products positions us well to serve the growing demand as more of our customers and their end customers prioritise higher-quality and more socially conscious palm oil products. We have become a proven and trusted partner for our customers and their end customers due to our ability to consistently produce CPO that is suitable for use in international markets. For example, the end customers that use our CPO include an international chocolate and hazelnut confectionery company based in Europe.

We are part of a small group of environmentally responsible suppliers around the world, given that only 20.5% of global CPO production was RSPO-certified in 2022, according to the IMR Report. We are able to market our products and achieve a premium above the market price for our CPO due to our sustainable palm oil product offerings, which are traceable and RSPO-certified. For the Financial Years Under Review, we achieved a higher average CPO selling prices than the national MPOB average selling prices, as set out in Section 7.2.1(iii) of this Prospectus.

(i) Traceability

The majority of the palm oil products that we produce and sell are highly traceable. We track each step of the FFB production process, which results in our own FFB processed in our POMs being traceable to our plantations. We use the RSPO's PalmTrace traceability system to register our physical sales and processing activities of CPO, PK and fractions sold to market during our tracing process. We have undertaken a traceability information gathering exercise with all of our FFB suppliers in relation to supplier plantation traceability beginning in 2021.

Our FFB purchase agreements with smallholders and traders require them to provide traceability information to us since 2021. As at the LPD, 1,432 out of 2,148 smallholders, or approximately 66.7%, have provided complete traceability information. We continue to engage with our smallholders to collect traceability information. We are also in the process of digitalising the traceability information collection.

The European Union Deforestation Regulation that is scheduled to come into force at the end of December 2024 will require full traceability to the location of oil palms. We believe that we are well placed to comply with these requirements as our traceability already extends to the oil palm fields on our plantation estates.

7. BUSINESS OVERVIEW (CONT'D)

(ii) Sustainable land management and operation of plantation estates

We have made a commitment to sustainability, and to operate in a manner that is respectful of the needs of local communities and protects the natural environment. We were an early adopter of many agricultural practices that are now recognised as fundamental to demonstrate a commitment to sustainability. Open burning on our estates and mill grounds is strictly prohibited under the Environmental Quality Act 1974 and RSPO regulations. We follow a zero-burning replanting programme, whereby oil palms are felled, shredded, stacked and left in situ to decompose naturally. This eliminates a traditional source of carbon emissions across all of our owned, rented, and managed plantation estates. We monitor hotspots and fires on our plantation estates and surrounding estates owned or operated by third parties.

We use manuring pits to capture and harvest rainwater in our plantation estates. This reduces soil erosion and recycles surface water runoff. We also plant cover crops to reduce soil erosion. We utilise an integrated pest management system, including cattle grazing as a natural weeding method that improves soil fertility, recycles nutrients, and reduces chemical usage compared to the use of herbicides. We have 27 water catchments that supply potable water to our workers' homes on our plantation estates. We are committed to protecting peatlands, with only 1,366 Ha out of 55,904 Ha or approximately 2.4% of our total planted area located on peat.

(iii) Production of sustainable, high-quality palm oil products

All of the FFB produced on plantation estates that are owned and rented by us are RSPO-certified. Our FFB serves as the primary source of FFB supply for our POMs to process. 4 of our POMs, namely the Sindora POM, Tereh POM, Pasir Panjang POM and Palong Cocoa POM, are Identity Preserved Mills that exclusively produce certified sustainable palm oil, while our Sedenak POM is a Mass Balance Mill that mixes certified sustainable palm oil with non-certified CPO. We have obtained MSPO and ISCC certifications for all of our POMs. We also comply with the ISO/IEC 17025:2017 (Laboratory Management System) standards and MS 1500:2019 (Malaysian Standard on Halal Food) to promote the highest quality of our palm products.

Due to the investments that we have made in our CPO quality enhancement systems, we are capable of producing CPO that meets high quality standards set in international markets such as Europe and by sustainability-focused customers. In 2023, we installed a CPO washing machine in each of our POMs. This allows us to remove food contaminants such as 3MCPD that form in palm oil during the refining process. We also replaced all lubricant oil used in our operations with fully synthetic food-grade lubricant oil to help ensure that mineral oil contaminants are kept below acceptable levels. While only a small number of high-quality buyers have introduced limits to mineral oils, the European Union introduced guidance on the 3MCPD content in palm. The European Food Safety Authority believes mineral oil aromatic hydrocarbons may cause cancer and have agreed in principle to limit its content. Such guidance could lead to limits in future. We are among a small number of producers who have introduced bio-based lubricants to reduce mineral oil aromatic hydrocarbons content.

(iv) Sourcing of FFB from third parties

We have entered into FFB purchase agreements with certain smallholders and estates that hold RSPO and MSPO certifications for the purchase of RSPO-certified FFB. We also actively engage smallholders in Malaysia to help them gain MSPO and RSPO certifications and provide them with advisory and technical support through our smallholder inclusion programme. As at the LPD, 3 out of our 29 external crop suppliers have been certified by RSPO. Currently, the majority of the FFB that we obtain from third parties is not RSPO-certified. Our ability to produce certified sustainable palm oil is determined by the amount of RSPO-certified FFB that our plantation estates can produce and the limited amount of RSPO-certified FFB that we are able to purchase from smallholders and other third parties. Against this backdrop, we believe that our smallholder inclusion programme which helps smallholders to gain MSPO and RSPO certifications, demonstrates our commitment for sourcing RSPO-certified FFB that would bolster our production of traceable and sustainable palm oil products going forward.

7. BUSINESS OVERVIEW (CONT'D)**(v) Renewable energy initiatives**

We have implemented renewable energy initiatives that utilise waste generated by our operations. These initiatives have lowered our diesel consumption, quantity of waste, and helped to reduce our energy costs and carbon footprint.

(a) Biogas

Our biogas generation facilities have helped us to reduce our diesel consumption, energy costs and carbon footprint. At each of our 5 biogas facilities, we capture POME, a by-product from our milling operations, to generate biogas that we use for flaring, internal power generation and production of biomethane. During the FYE 2023, approximately 9.5% of the total energy consumption of our POMs was supported by our internally generated biogas.

We reduced our greenhouse gas emission to 1.1 MT of carbon dioxide emission per MT of CPO/PK during the FYE 2021 (FYE 2020: 1.2 MT of carbon dioxide emission per MT of CPO/PK). We reduced this further to 0.9 MT during the FYE 2022 and FYE 2023, as we commissioned 3 of our 5 biogas plants during the Financial Years Under Review. Please refer to Section 7.18.4 of this Prospectus in relation to the interruption to our biomethane plant at Sedenak POM due to a fire incident.

The table below sets out our actual greenhouse gas emissions for the Financial Years Under Review as compared to our carbon footprint target on greenhouse gas emissions for the respective financial years:

	<u>FYE 2020</u>	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>
Actual greenhouse gas emission (MT of carbon dioxide emission per MT of CPO/PK)	1.2	1.1	0.9	0.9
Target greenhouse gas emission (MT carbon dioxide emission per MT of CPO/PK)	1.2	1.1	1.0	0.8

(b) Biomethane

Biomethane is a purified form of biogas that separates the carbon dioxide and other non-methane molecules from the gas stream. As some of these non-methane molecules can be harmful air contaminants, or produce such contaminants during combustion, biomethane is generally considered preferable to biogas, where feasible. Our first biomethane plant at our Sedenak POM commenced commercial operations in June 2023. Please refer to Section 7.18.4 of this Prospectus in relation to the interruption to our biomethane plant at Sedenak POM due to a fire incident.

We are developing bio-CNG plants at our Tereh POM and Sindora POM and we expect the construction and commissioning of the above bio-CNG plants to complete by the end of June 2024. We target to sell bio-CNG that we generate at these bio-CNG plants in July 2024 once they are fully operational, and we have arrangements with Gas Malaysia Green Ventures to feed bio-CNG from these facilities into the national gas distribution system.

7. BUSINESS OVERVIEW (CONT'D)

(vi) Use of by-products from our POMs

We use the majority of our milling by-products such as mesocarp fibre and PK shell for internal power and steam generation. We also act as a biomass distributor by selling most of the remaining by-products to third parties rather than discarding them. During the Financial Years Under Review, we produced 95,035 MT, 88,919 MT, 91,563 MT and 87,411 MT of PK shell respectively. Most of our by-products were used internally for power and steam generation, with 20.7%, 18.4%, 20.4% and 15.7% sold to third parties respectively during the Financial Years Under Review. We also sell EFB to third parties who use them as an additional source of energy generation.

As part of our waste-to-wealth initiative, we built a PFOE plant at our Sedenak POM. The PFOE plant was completed in July 2023 and became operational since September 2023. It extracts the remaining oil in mesocarp fibre, a FFB milling by-product.

7.2.3 We have strong brand recognition and foundational support from our association with our Promoters, namely JCorp and Kulim

We are an indirect subsidiary of JCorp, Johor's economic development corporation with significant involvement in key business sectors including agriculture, wellness and healthcare, food and restaurants, as well as real estate and infrastructure. In particular, JCorp has a long history in the Malaysian agriculture sector and the plantation industry.

Our parent company, Kulim, whose long-standing reputation can be traced to its roots in 1933 when Kulim Rubber Plantations Limited was incorporated in the United Kingdom. Kulim Rubber Plantations Limited began operations with a 190 Ha rubber plantation in Johor, Malaysia in 1947. In 1970, it changed its name to Kulim Group Limited and listed its shares on the London Stock Exchange. In 1975, Kulim was incorporated to take over Kulim Group Limited, and was subsequently listed on the Main Board of the Kuala Lumpur Stock Exchange (now known as the Main Market of Bursa Securities). In 1976, the Johor State Economic Development Corporation (now known as JCorp) became a shareholder of Kulim. As part of the JCorp-backed Kulim group, we benefit from Kulim's and JCorp's industry reputation, both with customers, suppliers, financiers, investors, and other business partners.

In 1994, Kulim acquired 100% equity in our Company from JCorp. In 1996, Kulim acquired 90% stake in New Britain Palm Oil Limited in Papua New Guinea, which was later divested to Sime Darby Plantation Sdn Bhd in February 2015. Kulim has been involved in the plantation operations in Malaysia and has accumulated years of experience in the plantation industry.

Taking into account Kulim's presence in the plantations business and ownership of all of our plantation estates prior to the Pre-Listing Restructuring, we are one of the most established and experienced upstream oil palm plantation companies in Malaysia.

7.2.4 We are well-positioned to benefit from strong palm oil fundamentals and demand growth trends

(i) Palm oil

Globally, demand for vegetable oil is forecasted to grow at a compounded annual growth rate of 2.8% from 2020 to 2030 and 2.5% from 2030 to 2040. Demand for palm oil is forecasted to grow at a compounded annual growth rate of 1.4% from 2020 to 2030 and 1.2% from 2030 to 2040. Food use of palm oil is forecasted to grow at a compounded annual growth rate of 0.8% from 2020 to 2030 and 1.0% from 2030 to 2040.

Demand for palm oil is forecasted to grow at a faster rate than supply, which is being held back by an inability to expand oil palm planting area, until 2032 according to the IMR Report. From 2032 onwards, the growth in supply is expected to be slightly faster than demand as higher soybean oil supplies remove some of the pressure from palm oil and replanting helps to increase production, but stocks are expected to remain tight.

7. BUSINESS OVERVIEW (CONT'D)

After a period of rapid growth from 2010 to 2020, palm oil production is forecasted to slow. The main slowdown is expected to be in Indonesia where limits to planting area expansion have meant much slower output growth. Malaysia is forecasted to record very limited growth in palm oil production through 2030 due to reduced oil palm area and stagnant yields caused by labour shortages, management issues, over-age trees and the spread of Ganoderma. In terms of supply, sustainability pressures and finding appropriate land made it more difficult to plant oil palm. The slowdown in area growth has been coupled with stagnant to declining yields causing output to decrease.

(Source: IMR Report)

We believe that trends of increasing demand for palm oil products, coupled with slowing growth rates of production, will help to drive demand for our products and future revenue growth.

(ii) Johor state

22 out of our 23 oil palm plantation estates are located in Johor, which has prime conditions for continued oil palm cultivation. Johor has favourable environmental conditions for growing oil palm because of its climate, including its annual precipitation levels and temperature. Johor has been an agricultural state dating back to the 1800s when it was used for rubber plantations and other crops.

Most land in Johor is already under plantation cultivation and there is limited land availability in the Johor state. With limited land availability, we believe that we have a competitive advantage over other players in our industry for land acquisition or rental opportunities in Johor due to our strong operational track record, regional presence and foundational support of our Promoters.

(iii) Sustainable CPO

There is increasing consumer awareness on health, food safety and sustainability, and businesses have begun to make their own commitments to sustainability. This has driven demand among our customers and their end-consumers for sustainably-produced palm oil products.

We have a proven and long-standing commitment to sustainable palm oil production. Our operations first received RSPO certification in 2009 while operated by Kulim. Since then, we have been maintaining our operations at the RSPO-certified standard. As at the LPD, all of our POMs and accompanying plantation estates are RSPO-certified, and all of the FFB produced on plantation estates that are owned and rented by us are RSPO-certified. Please refer to Section 7.2.2 for further details regarding our sustainable plantation practices and production of sustainable palm oil products.

7.2.5 Our integrated business model allows us to leverage and diversify along the palm oil value chain

We have established an integrated business model that operates across the upstream of the palm oil value chain. Integration along the palm oil value chain provides us with greater control over the supply chain and production process. This additional control promotes an increase in the quality of our products. It also enables us to improve efficiency and reduce costs by leveraging synergies along the value chain.

Our business model is built on business segments that integrate with one another. This helps us utilise resources efficiently and achieve carbon footprint reduction. For example, cattle grazing has been introduced into our plantations as a natural weeding method while improving soil fertility, recycling nutrients, and reducing chemical usage. By-products derived from FFB processing are used to generate renewable energy for both our own use and external supply. We also sell various by-products from our CPO and PK production processes, such as mesocarp fibre, PK shell, EFB and POME, to minimise waste and generate ancillary sources of revenue.

7. BUSINESS OVERVIEW (CONT'D)

Given the scale of our integrated upstream operations, we are well-positioned to enter into the downstream palm oil segment in the future. Please refer to Section 7.3.4 of this Prospectus for further details of our plans to enter into the downstream business.

7.2.6 We have an experienced and committed research and development unit

We invest in research and development initiatives to establish good agricultural practices that help to increase our yield and productivity. For example, our in-house research and development unit has collaborated with MPOB to develop new oil palm clones. After 7 years of research, a jointly developed Clone P325 was officially recognised as an “elite clone” (a planting material of choice) producing an average FFB of 30 MT per Ha a year, with an estimated oil extraction rate of 28.1%, and CPO of 8.5 MT per Ha a year, as compared to our standard DxP oil palm producing an average FFB of 28 MT per Ha a year, with an estimated oil extraction rate of 23.1%, and CPO of 6.6 MT per Ha a year. In recognition of its superiority, the clone won the Malaysian Innovative Product Gold Award at the International Invention, Innovation and Technology Exhibition 2020.

Our clone is expected to be commercialised and sold to the external market in 2027 with 60,603 ramets. We aim to increase the production of seeds to cater the high demand from the market. Additionally, our laboratory, Johor Plantations Agritech Centre Central Analytical Lab was awarded with Institut Kimia Malaysia Laboratory Excellence Award 2023 from the Malaysian Institute of Chemistry. Please refer to Section 7.11 of this Prospectus for further details of our research and development activities.

7.2.7 Our Managing Director and Key Senior Management have extensive experience

We are led by our experienced Managing Director and supported by our Key Senior Management, each of whom has substantial knowledge and exposure in the oil palm plantation industry:

- (i) Mohd Faris Adli Bin Shukery, our Managing Director, oversees our entire palm oil business and expansion strategies and initiatives, and has more than 19 years of experience in the plantation industry;
- (ii) Aziah Binti Ahmad, our Chief Financial Officer, oversees our accounting functions, including financial reporting, budgeting and cash flow management, and has more than 35 years of experience in accounting, finance, and audit in various industries;
- (iii) Mohamad Yami Bin Bakar, our Head of Plantation, oversees the operation of all of our plantation estates and POMs, and has more than 31 years of experience in the plantation industry;
- (iv) Amran Bin Zakaria, our Head of Group Human Capital, oversees all matters related to human resource, and has more than 29 years of experience in human resource in various industries; and
- (v) Wan Adlin Bin Wan Mahmood, our Head of Sustainability and Innovation, oversees the management of our sustainability system, innovation management and project management, and has more than 20 years of management experience in the plantation industry.

They have also spent a significant part of their careers serving in leadership positions in Kulim prior to the Pre-Listing Restructuring and has been contributing to the growth and success of our plantation business. In addition, each of them possesses different functional expertise such as operations, sales and marketing, engineering, finance and accounting, and human resource. These complementary skills have been critical to our management efficiency.

As at the LPD, our Managing Director and Key Senior Management are supported by 103 management employees consisting of junior and middle management employees from headquarters, plantation estates and POMs, with extensive experience in managing plantation operations.

7. BUSINESS OVERVIEW (CONT'D)

7.3 FUTURE PLANS AND STRATEGIES

7.3.1 We intend to increase CPO production output

We intend to increase our CPO production output by increasing operational efficiency, land acquisition or rental and expanding external sourcing of RSPO-certified FFB.

(i) Operational efficiency

Profitability in the palm oil industry is closely linked to high output, efficient use of inputs and low production costs. We aim to drive palm oil yields higher and reduce production costs to underpin our profitability and sustainability. As part of this effort, we have launched an initiative called "Palm Product Yield 7.0 MT" to attain yields of at least 7.0 MT of palm products per Ha from our mature oil palm plantings through enhanced operational efficiency, and investment in research and development to improve replanting outcomes and increased mechanisation, including the upgrading of latest machineries and milling technology. The palm product yield is arrived at based on the sum of oil extraction rate and kernel extraction rate generated for every Ha of land planted with matured oil palms.

For the Financial Years Under Review, we achieved a palm product yield of 6.0 MT per Ha, 5.3 MT per Ha, 5.7 MT per Ha and 5.1 MT per Ha respectively. To increase our yields, our strategy is to replant old oil palms or those more than 25 years old with higher-yielding planting materials using various clonal palms such as KT clonal and improved DxP seedlings. We also plan to continue replanting our estates with improved planting materials that are developed through our research and development activities and incorporate more mechanisation and digitalisation into our production process to increase our CPO and PK production. Please refer to Sections 4.5.1(b) and 7.12 of this Prospectus for further information on the gross proceeds of approximately RM25.2 million from the Public Issue which has been allocated for replanting activities to be used within the period from the date of our Listing up to 2025, and the details relating to mechanisation in our production process and our digitalisation plans respectively.

(ii) Land acquisition, land rental and increase in managed estates

We may acquire existing plantation estates in Johor should such opportunity arise or enter into rental agreements given the limited suitable land available for expansion. We may increase the sourcing of our FFB by increasing our number of managed estates for third parties. We intend to focus this expansion in the Johor region to complement and leverage our existing operations. We may also expand to other geographies if it is commercially and operationally viable and synergistic to our existing operations. We have not set aside any funds for the acquisition or rental of plantation estates as at the LPD. In any event, such land acquisition or rental will be funded through internally generated funds and/or external financing.

(iii) Sourcing of RSPO-certified FFB

We plan to continue and expand our smallholder inclusion programme to assist more smallholders in applying for RSPO certification. This strategy, which involves collaborating with small-scale palm oil farmers who meet specific certification standards, is intended to facilitate sustainable and responsible palm oil production. This allows us to tap into additional sources of raw materials without the need for extensive land acquisition or ownership. In addition, this approach is intended to promote inclusivity and support to the local communities, thereby demonstrating our commitment to sustainable practices and responsible sourcing. These smallholders represent potential sources of additional RSPO-certified FFB for our operations.

7. BUSINESS OVERVIEW (CONT'D)

We plan to continue to provide economic incentives to smallholders that sell RSPO-certified FFB to us. For the FYE 2023, we bought 21,947 MT of FFB, or 6.7% of our total FFB purchased, from independent smallholders that participated in our smallholder inclusion programme. We will continue our smallholder inclusion programme because of the higher demand and higher profit margin for traceable and sustainable CPO produced from RSPO-certified FFB. To that end, we have allocated RM6.7 million of the gross proceeds from the Public Issue for the purchase of FFB from smallholders, traders and third-party plantation estates that we manage to be utilised within a period of 3 months from the date of our Listing, as set out in Section 4.5.3 of this Prospectus.

7.3.2 We aim to focus on the sustainably-sourced CPO market

We aim to increase the sales volume of our CPO in sustainably-sourced CPO market. We believe we have a competitive advantage due to our long track record as an RSPO-certified producer since 2009 and our continued investment in CPO quality enhancement (refer to Section 7.2.2(iii) for further information).

The sustainably-sourced CPO market consists of customers that have more stringent purchasing requirements, such as RSPO certification, complete traceability and lower levels of mineral and other contaminants in the CPO. We are generally able to market our products at a premium when we sell them in the segment of the market that focuses on sustainably-sourced CPO. We believe that by selling a greater portion of our CPO products in this market segment, we can increase our revenue and margins, and achieve our growth strategy. We plan to continue to invest in new technologies and other advancements in CPO production to be identified to ensure that we are well-positioned to continue delivering sustainable, high-quality CPO in the future. We have not set aside any funds for such investment which has yet to be identified as at the LPD. In any event, such investment will be funded through internally generated funds.

7.3.3 We embrace sustainable principles by maximising the use of by-products from our POMs

As part of our commitment to operate sustainably and be an environmentally responsible plantation company, we plan to continue to incorporate sustainable principles into our operations by maximising the use of the by-products from our operations.

In the past, all the biogas produced in our operations was used for flaring or internal power generation. Going forward, we plan to further process additional excess biogas that we generate but do not use for our internal power generation into biomethane for sale as a natural gas alternative that has equivalent energy capacity. Biomethane is both clean and renewable. To that end, we converted the biogas plant at our Sedenak POM into a biomethane plant, which commenced commercial operations in June 2023, followed by our first production and sale of biomethane produced at our Sedenak POM to Gas Malaysia Green Ventures in August 2023. However, operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident, as disclosed in Section 7.18.4 of this Prospectus. Restoration works were completed in May 2024 and we have since resumed operations at the said plant.

We are developing bio-CNG plants at our Tereh POM and Sindora POM and we expect the construction and commissioning of the above bio-CNG plants to complete by the end of June 2024. We plan to begin producing bio-CNG at these bio-CNG plants for commercial sales in July 2024. The estimated cost to construct these bio-CNG plants is approximately RM26.0 million, of which approximately RM16.9 million has been incurred as at the LPD. The construction cost is funded through internally generated funds and external financing.

7. BUSINESS OVERVIEW (CONT'D)

7.3.4 We intend to diversify our offerings to include downstream products such as specialty oils and fats

While we are principally involved in upstream oil palm operations, we are evaluating opportunities to venture into the downstream market, including the refinery business, in order to diversify our offerings to include downstream products such as specialty oils and fats for food production. Through this diversification, we seek to enhance our position as a fully integrated oil palm producer and generate additional revenue across the entire value chain. We believe that further expansion of our integrated business model offers us the potential to better manage commodity price volatility by giving us the flexibility to channel our CPO and PK to various segments of our downstream processes at the appropriate time, thus benefiting from the different price characteristics and feedstock types in various downstream segments.

As part of our strategy to venture into the downstream segment of the plantation value chain, we have allocated RM171.6 million of the gross proceeds from our Public Issue to construct an integrated sustainable palm oil complex.

This complex is a large-scale facility that combines several stages of the palm oil production process in a single location. This would enable us to improve our overall efficiency and cost effectiveness in terms of reduced transportation costs, diversify our product offerings and enhance our competitiveness in the plantation market in Johor.

The construction of the integrated sustainable palm oil complex which comprises a POM, a downstream refinery, a kernel crushing plant, a bio-energy power plant and an animal feedmill in a single location allows us to integrate along the palm oil value chain involving our estate operations, mill operations, renewable energy processing and downstream refinery in view of the close proximity of these facilities to our estate. Our diversification in our product offerings to include specialty oil and fats is also expected to enhance our position as a fully integrated oil palm producer.

Further details of the integrated sustainable palm oil complex are set out below:

Description	Function	Estimated production capacity	Estimated cost (RM million)
Downstream refinery	To process CPO into specialty oil and fats	150,000 MT per annum	180.2
POM	To process FFB into CPO and PK	90 MT per hour	141.8
Bio-energy power plant	To produce renewable energy from the by-products of POM	12,000 KW per hour	91.4
Kernel crushing plant	To crush and press PK for extraction and processing into crude PK oil	60,000 MT per annum	16.7
Animal feedmill	To produce animal feeds from the by-products of POM and refinery	39,000 MT per annum	16.6
			446.7

7. BUSINESS OVERVIEW (CONT'D)

The complex is intended to be constructed on Pasir Logok Estate after taking into consideration the following criteria:

- (i) socio-economic benefits in terms of the development of the local community in areas surrounding the complex, creation of employment opportunities, improvement of infrastructures and economic growth;
- (ii) the availability of sizeable land area at Pasir Logok Estate to cater for construction of the complex with an estimated built-up area of approximately 40 Ha;
- (iii) the location of Pasir Logok Estate which is within close proximity to Fuji Oil Asia Pte Ltd's oil and fats processing plant in Pasir Gudang, Johor. This allows us to benefit from the logistics arrangement between both facilities;
- (iv) the location of Pasir Logok Estate is not prone to flood. Constructing the complex on a non-flood-prone area eliminates any disruption to our business and operations as a result of flooding and will ensure smooth operation of the complex; and
- (v) the certainty for the renewal of rental agreement by JCorp or Kulim in respect of the Malay Reserved Estates (including Pasir Logok Estate) as prescribed under the terms of the Tenancy Agreement and the letter of confirmation from JCorp and Kulim dated 13 September 2023. Please refer to Section 6.1.3(vi) of this Prospectus for further details.

We estimate the total cost for the construction of the new integrated sustainable palm oil complex to be approximately RM446.7 million.

We have identified Fuji Oil Asia Pte Ltd as our joint venture partner for our venture into the downstream plantation business. In this connection, we had on 25 January 2024, entered into a Shareholders' Agreement with Fuji Oil Asia Pte Ltd for the purpose of regulating the rights and obligations of the parties as shareholders of JPG Fuji. Our Company and Fuji Oil Asia Pte Ltd hold 51% and 49% respectively in the issued share capital of JPG Fuji. Please refer to Section 14.6(xi) for further details of the Shareholders' Agreement.

Through JPG Fuji, we will fund 51% of the estimated cost for the downstream refinery amounting to RM91.9 million, while the remaining RM88.3 million will be funded by Fuji Oil Asia Pte Ltd. The total cost for setting up the integrated sustainable palm oil complex to be borne by us is approximately RM358.4 million, out of which RM171.6 million is via proceeds from the Public Issue, while the remaining RM186.8 million will be funded through internally generated funds and/or external financing. As at the LPD, no amount has been incurred towards construction of this project.

We completed the preparation of conceptual designs and preliminary assessment on feasibility study in June 2023. The construction of the integrated sustainable palm oil complex is estimated to take approximately 32 months from January 2024 as summarised below:

Key events	Estimated duration	Time frame
(i) Appointment of consultants to prepare detailed designs	5 months	By the 2 nd quarter of 2024
(ii) Receipt of all approvals from the relevant authorities ⁽¹⁾ and commencement of tender process for the appointment of the relevant parties/contractors	6 months	By the 4 th quarter of 2024
(iii) Completion of construction works	18 months	By the 2 nd quarter of 2026
(iv) Commissioning of complex and commencement of commercial operation	3 months	By the 3 rd quarter of 2026

7. BUSINESS OVERVIEW (CONT'D)

Note:

- (1) Comprises, among others, Department of Environment, Economic Planning Unit, Malaysia Investment Development Authority, MPOB and Federal Department of Town and Country Planning.

As at the LPD, we are in the midst of appointing the consultants for the preparation of detailed designs of the complex which is expected to be completed by the 2nd quarter of 2024. The complex is expected to occupy an approximate built-up area of 40 Ha and we plan to commence construction after obtaining the relevant approvals from the authorities. The complex is expected to become operational by the 3rd quarter of 2026.

7.3.5 We intend to expand the production capacity of our POMs

We plan to continue to explore opportunities to increase production capacity to meet our growth targets. These opportunities may include further upgrades to our existing POMs or strategic acquisitions of additional POMs. This would allow us to process increased volumes of FFB, which we expect to generate in the future due to the age profile of our plantations and expected increase in the number of our oil palms that are in peak production years. In this regard, we plan to construct a POM with a FFB processing capacity of 90 MT per hour as part of our integrated sustainable palm oil complex (as set out in Section 7.3.4 of this Prospectus) by the 3rd quarter of 2026, to further expand our production capacity and realising our growth targets. The budgeted cost for the construction of the POM is estimated to be approximately RM141.8 million, which will be funded through a combination of Public Issue proceeds, internally generated funds and/or external financing.

7.3.6 We intend to improve our operational efficiency, productivity, and governance through use of digital technologies

We recognise the need to embrace digitalisation as part of our transformation into a progressive, efficient, and profitable company. We intend for digitalisation to be at the core of our operations going forward. Our employees and workers are adopting the use of digital technologies on a daily basis. We intend to prioritise initiatives to address digital needs such as the automation of FFB grading and digitalisation of laboratory operations. We are undertaking several key initiatives such as the K-Plant mobile application, which is deployed in our operations to support real-time monitoring and reporting of check-rolls and harvesting. This mobile application is being used to replace manual in-field and mill tasks and provide a single source of information for plantation operations management. We also introduced K-For, a system to store relevant data of our foreign workers for better efficiency in managing our workers.

As we make these advancements in digitisation, information security will remain our core priority. We have a series of planned initiatives to strengthen our cybersecurity infrastructure and protocols in the coming years. We are developing a cybersecurity framework with targeted implementation by the 3rd quarter of 2024 and annual vulnerability assessments and network penetration tests. This enhancement will fortify our entire data security and digital landscape, providing the added benefit of increased trust and security by continuously verifying user identities and devices. Additionally, we plan to enhance the security of our in-house deployed applications with a web application firewall by the 1st half of 2024. As part of our efforts to enhance our cybersecurity framework and infrastructure, we plan to upskill our employees with training on best data security practices. The budgeted cost to enhance our cybersecurity framework and infrastructure is estimated to be approximately RM0.5 million, which will be funded through our internally-generated funds.

7. BUSINESS OVERVIEW (CONT'D)

7.4 PRINCIPAL BUSINESS ACTIVITIES**7.4.1 Plantation business**

We are an upstream oil palm plantation company operating predominantly in Johor, Malaysia. In connection with our IPO, we have plans to enter into the downstream plantation business. We primarily own, manage, and cultivate oil palms and harvest FFB produced on the plantation estates that we own or rent.

We have ventured into renewable energy operations to improve the value of our plantation operations and reduce our carbon footprint.

Our research and development initiatives are focused on continuously improving the quality of our planting materials for optimal yield. Please refer to Section 7.11 of this Prospectus for further details of our research and development activities.

7.4.1.1 Estate operations**(i) Our plantation landbank and estates**

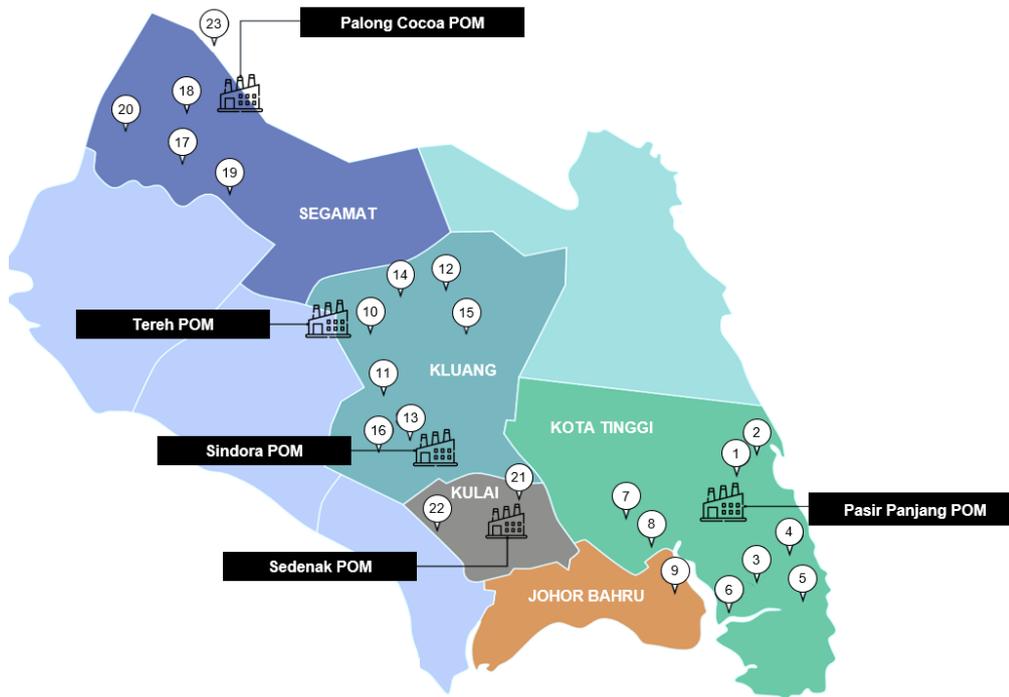
As at the LPD, we have 23 plantation estates, consisting of 22 plantation estates in Johor and 1 plantation estate in Pahang. We have a total landbank of 59,781 Ha (comprising 48,653 Ha that we own, 9,213 Ha of Malay-reserve land that we rent and 1,915 Ha of other land that we rent). We have a total oil palm planted area of 55,904 Ha, representing approximately 93.5% of our plantation estates' total land area. The total oil palm planted area comprises 45,175 Ha which we own and 10,729 Ha which we rent.

We also manage 3 third-party plantation estates with total land area of 1,549 Ha. We own 5 POMs that are strategically located within close proximity to most of our owned and rented plantation estates in Johor where we process FFB to produce CPO and PK. CPO is a type of unrefined vegetable oil obtained from the fruit of the oil palm. PK is the kernel or core of the oil palm fruit. Both CPO and PK are used in the production of palm products, including versatile oil and fat products that can be used in a wide range of applications, from food manufacturing and cosmetics to biofuel and pharmaceuticals.

As at the LPD, our plantations have 52,088 Ha of mature area and 3,816 Ha of immature area.

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7. BUSINESS OVERVIEW (CONT'D)



Estates in Kota Tinggi, Johor

1. Tunjuk Laut Estate*
2. Pasir Logok Estate*
3. Pasir Panjang Estate#
4. Bukit Kelompok Estate*
5. Siang Estate
6. Sungai Papan Estate
7. REM Estate#
8. Basir Ismail Estate
9. Bukit Layang Estate

Estates in Kluang, Johor

10. Tereh Utara Estate
11. Tereh Selatan Estate
12. Selai Estate
13. Sindora Estate
14. Sungai Tawing Estate
15. Mutiara Estate
16. Rengam Estate

Estates in Segamat, Johor

17. Mungka Estate
18. Palong Estate
19. Labis Bahru Estate
20. Sepang Loi Estate

Estates in Kulai, Johor

21. Sedenak Estate
22. Kuala Kabong Estate*

Estate in Pahang

23. UMAC Estate

Notes:

- * Rented
- # Partially rented

(ii) Production

We grow oil palms on our plantation estates and harvest FFB from these oil palms. For the Financial Years Under Review, our FFB production at our plantation estates are as follows:

	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	(MT)	(MT)	(MT)	(MT)
FFB produced	1,145,090	1,035,342	1,111,496	1,034,153

We continuously seek to optimise our production and yield across our oil palm plantation estates. These efforts include improving the quality of our planting materials, enhancing soil quality, and increasing the mechanisation of our processes. We adopt effective use of fertilisers and best operational and manufacturing practices to manage costs.

We adopt good agricultural practices and industry-accepted best practices for quality, health and safety and improved productivity in our operations. Some of the good agricultural practices we adopt include:

- best oil palm nursery practices;
- best replanting techniques and practices;
- 5-year labour optimisation blueprint;
- 5-year mechanisation blueprint;
- best milling practices;
- clonal planting materials; and
- tracking performance.

We adopt an integrated pest management strategy which combines natural pest management with restricted use of chemical pesticides. We utilise cattle on our plantations as a natural weed control method to improve soil fertility, recycle nutrients and reduce chemical usage. We also keep barn owls at our estates to help control the rodent population.

7. BUSINESS OVERVIEW (CONT'D)

To mitigate the risk of crop loss, we pre-harvest our FFB at flood-prone areas and install wooden pegs around the frond stacking to prevent the frond stacking from being washed away by strong water currents during floods and to minimise the cost of restacking fronds and debris. We utilise a minimum ripeness standard where bunches are harvested when they have reached a minimum ripeness. For oil palms up to 8 years of age, we harvest once there are 5 loose fruits on the ground, while for oil palms aged 9 years and above, we harvest once there are 3 loose fruits on the ground. For oil palms in our flood-prone area, we implement flexi minimum ripeness standard of between 1 to 5 loose fruits per bunch to allow us to maximise the yield from each round of harvesting.

We also construct elephant trenches and elephant electrical fencing on our plantation estates in areas that are at high risk of potential elephant encroachment.

(iii) Oil palm age profile and replanting

Our oil palms have a favourable age profile that we actively manage through replanting and land acquisition or rental, which we believe positions us well to sustain and expand production.

Generally, it takes approximately 3 years for oil palms to produce fruits suitable for harvest. Young oil palms (immature and mature young oil palms) generally produce a lower yield of FFB as compared to matured oil palms (prime young, prime old and old oil palms). Oil palms reach their prime maturity and peak production period from 9 to 18 years old (prime young).

As at the LPD, approximately 54.3% of our oil palms are in their peak production age, which are our prime young oil palms or those oil palms that are 9 to 18 years old. As the majority of our oil palms are in their peak production years, we believe that the age profile of our oil palms would allow for an increase in the production of FFB, which we expect will in turn lead to an increase in CPO and PK production with minimal increase in costs.

As at the LPD, 71.2% of our plantation estates are located on flat or undulating terrain where planting, upkeep and maintenance and harvesting can be done more efficiently than on sub-optimal terrain.

The table below sets out the total oil palm planted area of our oil palm plantations as at the LPD:

Area planted	3 years and below (immature) (Ha)	4 to 8 years (mature young) (Ha)	9 to 18 years (prime young) (Ha)	19 to 22 years (prime old) (Ha)	23 years and above (old) (Ha)	Total (Ha)
Owned estates	3,816 (8.5%)	6,416 (14.2%)	23,545 (52.1%)	7,675 (17.0%)	3,723 (8.2%)	45,175 (100.0%)
Rented estates	-	1,595 (14.9%)	6,827 (63.6%)	1,020 (9.5%)	1,287 (12.0%)	10,729 (100.0%)
Total oil palm planted area	3,816 (6.8%)	8,011 (14.3%)	30,372 (54.3%)	8,695 (15.6%)	5,010 (9.0%)	55,904 (100.0%)

The table below sets out the weighted average age profile of our oil palm plantations for the Financial Years Under Review:

	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Weighted average oil palm age (years)	11.5	12.1	12.6	12.9
Total replanted area (Ha)	1,238	1,122	1,216	1,484

7. BUSINESS OVERVIEW (CONT'D)

We have an annual replanting programme to maintain our palms at peak production age. Given the distribution of the age profile of our oil palms, we maintain a relatively low annual replanting target of up to 4% of our total oil palm planted area. Replanting is an essential activity for oil palm plantations as it ensures the sustainability of our plantation's productivity in the long term, whereby old trees that are above 25 years will be replaced with new and improved planting materials. Our replanting programme enables us to improve the quality of our oil palms through the use of seedlings specifically developed to increase yield based on the topographical profile of our estates. Our Plant Breeding Laboratory aims to produce elite planting materials to enhance our palm oil yield and supply seeds and seedlings for our annual replanting programme.

Since 1984, we have adopted a zero-burning replanting technique, whereby oil palms are felled, shredded, stacked and left in situ to decompose naturally. We also continued implementing measures to further our commitment to operating in an environmentally responsible manner. Please refer to Section 7.5.6 of this Prospectus for further details of our replanting programme.

7.4.1.2 Mill operations

We process FFB into CPO and PK at our POMs. As at the LPD, we operate 5 POMs, namely, the Pasir Panjang POM, Palong Cocoa POM, Tereh POM, Sedenak POM and Sindora POM. All of our POMs are RSPO-certified and MSPO-certified and have been accorded ISCC status. Save for our Sedenak POM, which produces Mass Balance RSPO-certified sustainable palm oil, all the rest of our POMs are Identity Preserved Mills that produce fully traceable certified sustainable palm oil.

(i) FFB processing

The majority of the FFB that we process is sourced from our plantation estates. We also purchase FFB from external suppliers in order to maximise the utilisation of our POMs, and these external FFB suppliers are primarily smallholder farmers or FFB traders who collect FFB from smallholders. We sell the CPO and PK produced at our POMs to external refineries and crushing plants.

The table below sets out the FFB processed by us for the Financial Years Under Review:

	FYE 2020 (MT)	FYE 2021 (MT)	FYE 2022 (MT)	FYE 2023 (MT)
Total FFB produced	1,145,090	1,035,342	1,111,496	1,034,153
Total FFB purchased	356,859	384,271	316,870	327,600
Total FFB processed	1,501,949	1,419,613	1,428,366	1,361,753

The performance of our oil palm plantations, including the FFB yield, oil extraction rate and kernel extraction rate, depends on various factors such as the quality of the oil palm seed, soil and climatic conditions, quality of management of the plantation and the timely harvesting, processing, and milling efficiency of FFB.

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7. BUSINESS OVERVIEW (CONT'D)

The table below sets out certain key performance indicators of our FFB production and processing operations for the Financial Years Under Review:

	<u>FYE 2020</u>	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>
<u>Production and processing</u>				
Total FFB produced (MT)	1,145,090	1,035,342	1,111,496	1,034,153
Total FFB purchased (MT)	356,859	384,271	316,870	327,600
Total FFB processed (MT)	1,501,949	1,419,613	1,428,366	1,361,753
CPO produced (MT)	316,066	295,747	289,488	270,900
PK produced (MT)	79,711	75,867	76,383	72,383
CPO delivered (MT)	316,840	295,887	287,147	270,347
PK delivered (MT)	79,717	75,892	75,348	72,675
<u>Yield and extraction rates</u>				
Yield per Ha (MT per Ha)	22.9	20.1	22.1	20.3
Palm product yield (MT per Ha)	6.0	5.3	5.7	5.1
Oil extraction rate (%)	21.0	20.8	20.3	19.9
Kernel extraction rate (%)	5.3	5.3	5.4	5.3
<u>Average selling prices</u>				
CPO price (RM per MT)	2,753	4,422	5,177	3,989
PK price (RM per MT)	1,625	2,887	3,218	2,223

Total FFB processed decreased by approximately 5.5% to 1,419,613 MT for the FYE 2021 (FYE 2020: 1,501,949 MT) primarily due to the decrease in total FFB produced of approximately 9.6% to 1,035,342 MT for the FYE 2021 (FYE 2020: 1,145,090 MT), which in turn was primarily due to labour shortages during this period. This was partially offset by an increase in total FFB purchased of approximately 7.7% to 384,271 MT for the FYE 2021 (FYE 2020: 356,859 MT).

Total FFB processed increased marginally by approximately 0.6% to 1,428,366 MT for the FYE 2022 (FYE 2021: 1,419,613 MT) primarily due to the increase in total FFB produced of approximately 7.4% to 1,111,496 MT for the FYE 2022 (FYE 2021: 1,035,342 MT), which in turn was primarily due to improved availability of foreign workers. This was partially offset by a decrease in the total FFB purchased of approximately 17.5% to 316,870 MT (FYE 2021: 384,271 MT).

Total FFB processed decreased by approximately 4.7% to 1,361,753 MT for the FYE 2023 (FYE 2022: 1,428,366 MT) primarily due to the decrease in total FFB produced of approximately 7.0% to 1,034,153 MT for the FYE 2023 (FYE 2022: 1,111,496 MT), which in turn was primarily due to adverse weather conditions and flooding on our plantation estates in March 2023. This was partially offset by an increase in the total FFB purchased of approximately 3.4% to 327,600 MT for the FYE 2023 (FYE 2022: 316,870 MT).

During the Financial Years Under Review, we observed a declining trend in CPO produced, CPO delivered, PK produced and PK delivered. The decrease in each metric was primarily due to labour shortages on oil palm plantations during the COVID-19 pandemic period as well as adverse weather conditions, namely extremely low rainfall during the 1st half of 2019, which in turn adversely impacted FFB production over the next 24 months. The prolonged dry conditions induced moisture stress in the oil palms, which affected plant vegetative growth and in turn, led to reduced production because a higher percentage of FFB was not suitable for processing. This resulted in declining FFB yields for the FYE 2021 as compared to the FYE 2020.

7. BUSINESS OVERVIEW (CONT'D)

Our yield per Ha decreased to 20.1 MT per Ha for the FYE 2021 from 22.9 MT per Ha for the FYE 2020 primarily due to the adverse weather conditions described above. Notwithstanding this decrease, our yield per Ha was higher than the MPOB industry average of 17.73 MT per Ha and 16.24 MT per Ha in Johor and Peninsular Malaysia respectively for the FYE 2021, which we believe reflects our ability to optimally manage our operations due to our expertise and experience operating in the palm oil industry and in Johor State. We achieved our targeted palm product yield of 5.3 MT per Ha for the FYE 2021, and further increased this to 5.7 MT per Ha for the FYE 2022.

Our yield per Ha increased to 22.1 MT per Ha for the FYE 2022 from 20.1 MT per Ha for the FYE 2021 and was also higher than the MPOB industry average in the FYE 2022 of 15.5 MT per Ha due to improved availability of foreign workers as mentioned above. Our yield per Ha decreased slightly to 20.3 MT per Ha for the FYE 2023 from 22.1 MT per Ha for the FYE 2022 due to adverse weather conditions, including flooding, on our plantation estates in March 2023. Despite the slight decrease, our yield per Ha remained above the MPOB industry average of 15.8 MT per Ha for the FYE 2023.

During the Financial Years Under Review, our oil extraction rate decreased due to the same factors described above, namely labour shortages and adverse weather conditions. In particular, an insufficient number of plantation workers with the relevant expertise has been the main contributing factor to lower oil extraction rates. However, our oil extraction rate of 20.3% for the FYE 2022 remains higher than the MPOB industry average of 19.7% for Peninsular Malaysia and 19.9% for Malaysia as a whole for the FYE 2022.

During the FYE 2020, FYE 2021 and FYE 2022, we observed a steady increase in the average selling prices of CPO and PK primarily due to strong demand for high quality and RSPO-certified CPO and PK as well as a limited supply in the industry as labour shortages and adverse weather conditions affected producers across the industry. During the FYE 2023, our average selling prices of CPO and PK declined primarily due to the lifting of export ban by Indonesia in May 2023 and an increase in the use of other alternative vegetable oils such as rapeseed oil and sunflower oil, as well as general weakness in economic growth leading to lower demand from major importing markets such as China and the European Union.

We seek to maximise our productivity and efficiency by periodically investing in our production infrastructure:

- (i) We upgraded the capacity of our Sindora POM from 45 MT per hour to 60 MT per hour, which was completed in January 2024.
- (ii) We converted our Sindora POM from mass balance mill (where our certified sustainable palm oil is mixed with non-certified CPO and tracked throughout the supply chain) to Identity Preserved Mill (which allows tracing certified sustainable palm oil to their certified source) in 2022.
- (iii) In 2020, we embarked on a 5-year programme to increase the capacity of our digesters in our 5 POMs to increase palm oil recovery in the production process. We also plan to replace aging boilers, upgrade our oil recovery systems, upgrade our steam turbines to multistage turbines, upgrade our sterilisers into vertical sterilisers, digitalise our mill operations and convert organic waste from our POMs. We review and assess our POMs for the necessary upgrades on an annual basis.

(ii) Renewable energy processing

As part of our commitment to sustainability, we have ventured into the renewable energy business as a renewable energy producer and biomass distributor. We have generated renewable energy using POME from our POMs since 2017, when our first biogas plant was commissioned in our Pasir Panjang POM.

7. BUSINESS OVERVIEW (CONT'D)

The table below sets out the biogas utilisation and status of our 5 biogas POMs as at the LPD:

Biogas POM	Biogas utilisation	Status
Pasir Panjang	Power generation	Biogas plant became operational in July 2017 whilst biogas engines were operational since October 2019.
Palong Cocoa	Flaring	Operational since May 2020.
Tereh	Power generation	Operational since September 2021. Plant to be expanded for bio-CNG commercialisation by the end of June 2024.
Sindora	Power generation	Operational since January 2022. Plant to be expanded for bio-CNG commercialisation by the end of June 2024.
Sedenak	Biomethane	Commenced commercial operations since June 2023. However, operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident, as disclosed in Section 7.18.4 of this Prospectus. Restoration works were completed in May 2024 and we have since resumed operations at the said plant.

We embrace circularity of resources at our estates and reuse almost all of the by-products generated through our milling operations, which consist primarily of mesocarp fibre, PK shell, EFB and POME.

Biogas is captured from the decomposition of organic waste generated in our CPO and PK production processes. Biogas is used for various purposes, including partially powering our 5 POMs, as an energy source for internal power and steam generation, as fuel for vehicles, injected back into the natural gas grid or sold to the market.

Through the generation of renewable energy, we are able to reduce our carbon footprint through lower electricity offtake from the national grid and lower methane emissions from our bio-waste.

As a biomass distributor, we sell the remainder of our PK shell and mesocarp fibre to third parties for use in renewable energy generation.

The table below sets out information regarding our renewable energy production for the Financial Years Under Review:

	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Biogas produced (m ³)	5,260,377	10,380,196	12,735,188	13,133,013
PK shell produced (MT)	95,035	88,919	91,563	87,411
PK shell sold (MT)	20,338	19,618	14,280	13,700
Mesocarp fibre produced (MT)	202,521	190,502	195,070	185,466
Mesocarp fibre sold (MT)	13,006	10,590	10,893	17,762

7.4.2 Trading and support services

We are also involved in plantation supporting services, such as trading of agricultural machineries and parts, and related services. We provide a 6-month warranty for our agricultural machineries and parts by replacing or repairing those products with manufacturing defect. We also provide training and advisory services relating to occupational safety and health.

7. BUSINESS OVERVIEW (CONT'D)

7.4.2.1 Trading of agricultural machinery and parts

We sell various agricultural machineries and parts through our subsidiary, JPG Jenterra, such as 3-wheeler multi-purpose farm vehicles (developed in-house), tractors, chains, poles, gearbox, and other related parts manufactured by established manufacturers.

7.4.2.2 Trading of oil palm seedlings and related services

Through our subsidiary, JPG Planterra, we sell oil palm seedlings, ornamental plants and fertilisers under our brand 'BIONIK'. We also provide landscaping services such as consultancy, design, hardscape, softscape, indoor planting and maintenance for golf courses and private houses.

7.4.2.3 Occupational safety and health training, and advisory services

We focus on human resource development, motivation and quality-related fieldwork. Through our subsidiary, JPG Terrasolutions, we:

- (i) supply of safety products and provide advisory services in occupational health and safety management systems, fire safety and the ISO quality management system;
- (ii) provide noise monitoring, gas testing and fire safety services;
- (iii) organise on-site medical officer visits and medical screenings for foreign workers on behalf of the Foreign Workers Medical Examination Monitoring Agency; and
- (iv) provide sanitation and disinfection services.

7.4.2.4 Renewable energy

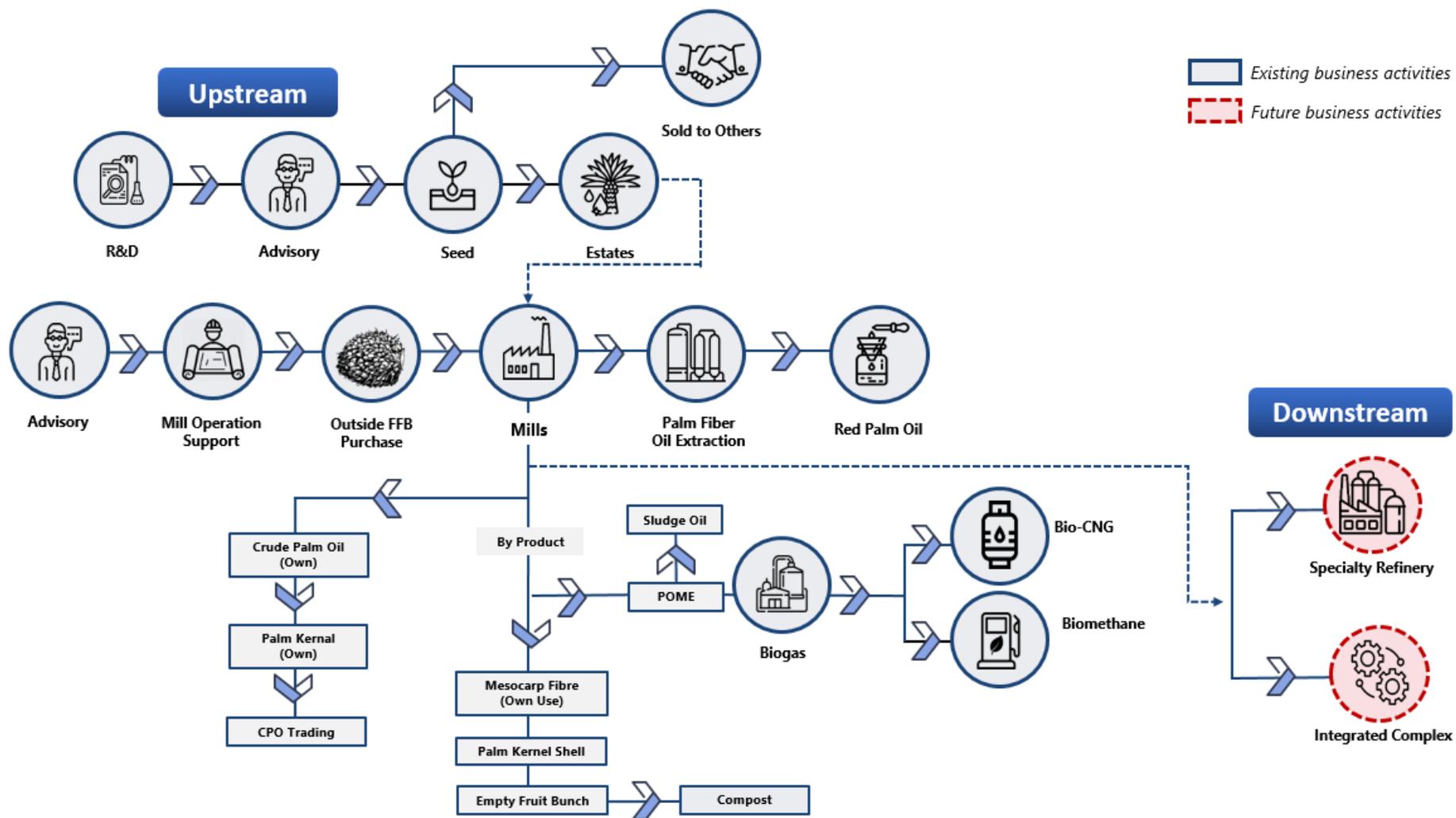
Please refer to Section 7.4.1.2(ii) of this Prospectus for further information on our renewable energy business.

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7. BUSINESS OVERVIEW (CONT'D)

7.5 BUSINESS PROCESS FLOW

The diagram below depicts our current value chain in the upstream oil palm operations, and our planned venture into downstream plantation:



7. BUSINESS OVERVIEW (CONT'D)

7.5.1 Seed production

Germinated seeds are produced by our Plant Breeding Laboratory. The germinated seeds take 6 years to be produced from the planted seeds at the seed garden of our laboratory. The production of high-quality seeds requires stringent procedures, such as selecting the highest quality mother palm and obtaining approval from SIRIM. We supply our seeds to our plantation estates and external estates.

7.5.2 Nursery and planting

Once the seeds have been germinated, they are sowed and raised in nurseries, which are located at our strategic operating units. Culling is the process of segregating the seed planting from the abnormal seedlings (such as juvenile, acute-erect and undersized) and is performed as early as 3 months from pre-nursery stage up to 12 months at main nursery. The seedling is grown for a period of 12 to 14 months at the nursery before being planted in the fields.

We plant young oil palms about 30 feet apart, in equilateral triangle patterns that result in planting density of about 136 oil palms per Ha. Generally, oil palms start producing fruits and are ready for harvesting 28 months after planting.

7.5.3 Upkeep

Proper plantation management is vital to ensuring optimal FFB yield. During the growing period, our workers perform upkeeping activities such as weeding, sanitation, pest and disease management, water management and soil fertilisation. We plant leguminous cover crop as part of our soil conservation practice, especially when we are replanting terraced area on sloping or hilly terrain. Leguminous cover crop is used to improve soil quality and control erosion, maintain moisture and increase soil fertility.

Our integrated pest management such as barn owls and beneficial plants to manage pests, promotes the use of self-sustaining and allows us to minimise dependency to chemical solutions. If the method of introducing a natural predator is not sufficient to control the pests, environmentally friendly pesticides are used. We reduce our chemical dependency by integrating cattle grazing in targeted areas. Our cattle help us manage various species of undergrowth without the use of chemical sprays or mechanical slashing. Pesticide and herbicide reduction is environmentally friendly and helps us reduce our total weeding costs through decreased use of chemicals and reduced need for labour.

Abnormal oil palms and runts are typically culled at the rate of 25% of the total oil palms planted in an annual replanting cycle. There are 6 culling stages from pre-nursery until prior to field planting. We also perform ablation or castration, which is the practice of removing young male and female inflorescences during the immature period to divert nutrients from production of uneconomic fruit bunches into vegetative growth, to improve palm vigour and its root system.

7.5.4 Harvesting and transportation

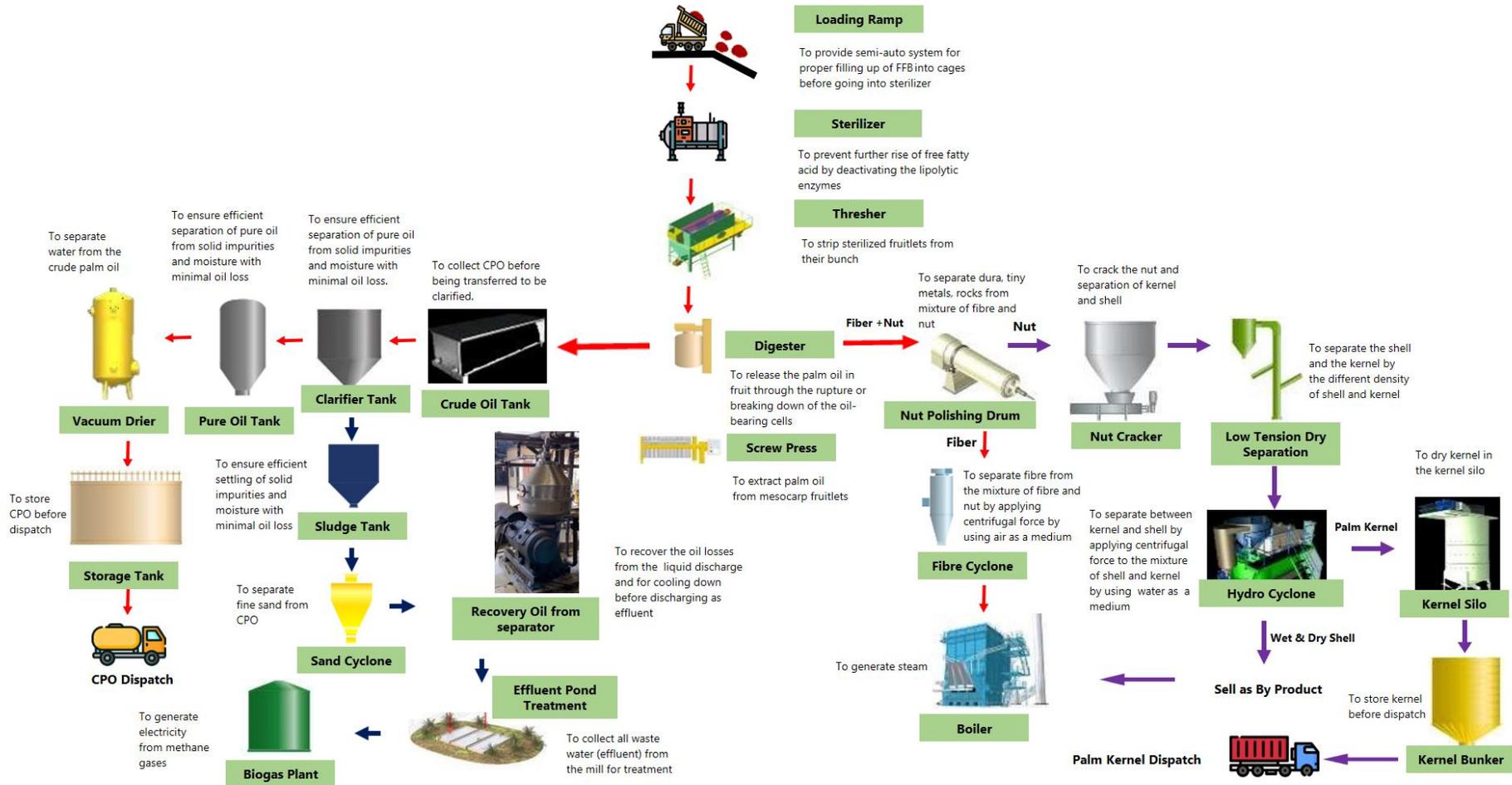
Our oil palms are deemed mature at the beginning of the 4th year and ready for commercial harvesting. The maturity date for fields is declared once the new planting or replanting areas reach 36 months from the date of initial planting. We harvest FFB based on a minimum ripeness standard, further details of which are set out in Section 7.4.1.1(ii) of this Prospectus.

Our general field workers handle the harvesting and transportation of the FFB. Additionally, we engage third-party service providers for harvesting and transportation services to supplement our operations.

FFB are collected manually, and transported from the plantation estates using wheelbarrows, mechanical buffalo, mini tractor scissor lifts or grabbers, depending on the terrain. Thereafter, our harvested FFB and loose fruits are sent by tractors and trucks to the POMs which are located near our plantations. In general, we process fruits within 24 hours after harvesting to minimise the build-up of free fatty acids that can potentially reduce the quality of CPO produced. We comply with the quality standards specification set by the MPOB and Palm Oil Refiners Association of Malaysia which specifies that free fatty acids content in CPO must not exceed 5%. The proximity of our POMs to oil palm estates is crucial to maintain the quality of our CPO and to optimise our transportation cost.

7. BUSINESS OVERVIEW (CONT'D)

7.5.5 FFB processing



7. BUSINESS OVERVIEW (CONT'D)

Once the harvested FFB and loose fruits (either from our plantation estates or purchased from external suppliers) arrive at our POM, they are weighed and graded based on their quality such as, ripe bunches, overripe bunches, unripe bunches, long stalk, or contamination from debris. Such grading system allows us to advise the corresponding plantation estate to take actions to improve crop quality or to evaluate our external suppliers and procurement process.

The FFB are sterilised under steam pressure to halt fatty acid production and ease separation of the fruits from the stalk. The separation of the fruit from the FFB is carried out in the next stage of the palm oil extraction process known as threshing, where they are stripped and threshed in a revolving slated steel drum to separate the fruit from bunch stalks.

The fruits are then conveyed to the fruit digester and steam is injected into the digester to release the oil in the fruit by rupturing oil-bearing cells in the mesocarp. Mechanical arms are used to loosen the mesocarp from the nuts of the fruits.

The fibre nuts mash is placed in a perforated press cage and pressed. The CPO and moisture from the fibre nuts mash are squeezed out, leaving a compacted mass known as the press cake. CPO is then purified, dried and sent to refineries for further processing.

The loosened pressed cake will undergo a process known as depericarping to separate the nuts from the fibre. The loosened pressed cake is then conveyed to kernel recovery processing machinery for kernel and PK shell separation. PK is then delivered to kernel crushing plants for PK oil extraction.

7.5.6 Replanting

Replanting of oil palm is performed for stable productivity as the typical economic life span of an oil palm is approximately 25 years. Initial preparation and planning include considerations on the scope of work and availability of appropriate and adequate number of machines and equipment. The replanting process entails ground clearing (including the removal of old trees and the processing of the material to enhance the organic balance of the estates), terracing, replanting, and planting of ground cover. Fertilising is also undertaken to promote crop establishment. Depending upon the location and size of the oil palm plantation estate, the topographical conditions and the productivity of the areas, we replant the oil palm plantation estate in stages and not the whole estate at once.

We consider the timing of replanting and seek to have our replanting activities coincide with favourable weather to minimise soil disturbance during planting of palms. Budgetary considerations and the history of the area in terms of diseases and pests are also taken into consideration in preparing for replanting. Diseased palms are felled ahead of the replanting operations. The palm bole and the adjoining root mass are removed and exposed to sunlight for 1 month to prevent future infestation of Ganoderma, a basal stem rot disease that can kill oil palms. Please refer to Section 7.4.1.1(iii) of this Prospectus for details of our annual replanting programme.

With respect to the replanted areas, in addition to the implementation of optimal agronomic and agricultural practices, we apply the following initiatives to increase their yield potential:

- (i) we utilise high yielding oil palm planting materials, including planting materials that we have developed through our research and development initiatives such as KT clonal and improved DxP seedlings;
- (ii) we seek to replant using high-quality soils and slow release fertilisers;
- (iii) culling poor planting materials; and
- (iv) using efficient irrigation systems and vigilant pest control. To help ensure stable FFB production and a more balanced tree age profile, we intend to periodically review our replanting schedule to ensure that the appropriate areas are replanted.

7. BUSINESS OVERVIEW (CONT'D)

7.6 SEASONALITY

We harvest FFB from our plantation estates throughout the year. FFB production tends to increase in the 2nd half of the year as a result of rainfall patterns in Malaysia. This typically leads to greater production of CPO and PK during the 2nd half of the year as we process FFB promptly following its harvest. As a result, we are generally able to generate higher CPO and PK sales volume in the 2nd half of the year and higher revenue, assuming consistent CPO and PK selling prices.

While FFB production consistently peaks in the 2nd half of the year, the extent of the increase in production compared to production in the 1st half of the year does tend to fluctuate, largely due to fluctuations in weather conditions that affect our oil palms in the months prior to the harvest. We generally expect to observe the impact of weather conditions on our FFB yields beginning approximately 5 to 6 months after the weather conditions occur.

There have been 3 CPO price rallies since 1990 caused by strong El Niño weather events in 1995, 2009 and 2019 that reduced FFB supply and, in turn, CPO production.

We experienced extremely low rainfall during the 1st half of 2019, which adversely impacted FFB production over the next 24 months. The prolonged dry conditions induced moisture stress in the oil palms, which affected plant vegetative growth and in turn, led to reduced production because a higher percentage of FFB was not suitable for processing. This resulted in declining FFB yield during the 1st quarter of 2021 once those palms matured. We also had dry weather conditions during 2021, which led to less FFB harvests especially in young-mature fields. This resulted in lower production of FFB for the year. In contrast, we experienced favourable weather conditions in the first 3 quarters of 2022, which is expected to improve FFB yields in future harvests.

7.7 SOURCES AND AVAILABILITY OF RAW MATERIALS AND OTHER SERVICES

We source fertilisers, chemicals, fuel or lubricants, consumables, and spare parts to support our operations. Chemicals consist primarily of herbicides and pesticides that we use as a last resort to manage pests and proliferation of weeds in our plantations, in addition to eco-friendly alternatives, namely the integration of livestock into our plantation operations to naturally control weed growth.

Our raw materials are planting materials such as oil palm seeds and tissue culture ramets and FFBs. We source our planting materials from our own research laboratories. The key raw materials required for our operations include FFB and fertilisers which collectively accounted for 88.9%, 87.6%, 86.7% and 81.7% of our total purchases for the Financial Years Under Review.

The majority of the FFB processed by our POMs are sourced from our plantation estates. In order to maximise the utilisation of our POMs, we also purchase FFB from external suppliers for milling to increase the volume of FFBs processed by our POMs and for greater cost efficiencies. These external FFB suppliers are primarily smallholder farmers or FFB traders who collect FFB from smallholders. All of our POMs are located on our plantation estates and in areas where there are many other plantation estates in close proximity. Some of these plantation estates do not have their own POMs and are in the business of selling FFBs, hence there is generally regularly available supply of FFBs for our POMs when needed to supplement FFB that we produce from our owned and rented plantation estates. While planting materials generally have stable prices, prices of FFB and fertilisers fluctuate in line with CPO prices. Nevertheless, it should be noted that any changes in prices of FFBs are reflected in the prices of our palm oil products, and thus, have minimal impact on our profit margin.

7. BUSINESS OVERVIEW (CONT'D)

The table below sets out the volume of FFB that we processed which were sourced internally and externally during the Financial Years Under Review:

	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	(MT)	(MT)	(MT)	(MT)
FFB produced from our owned and rented plantation estates	1,145,090	1,035,342	1,111,496	1,034,153
FFB purchased from third-party FFB suppliers	356,859	384,271	316,870	327,600
Total FFB processed by our POMs	1,501,949	1,419,613	1,428,366	1,361,753
FFB sold to third parties ⁽¹⁾	13,203	4,478	-	-

Note:

- (1) We have phased out FFB sales to third parties since the FYE 2022 as we use all of the FFB from our oil palms for our own POMs.

The following are the major types of input materials that we purchased for our business operations during the Financial Years Under Review:

	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
FFB	265,561	69.2	366,616	72.3	341,315	63.5	251,694	60.6
Fertilisers	75,674	19.7	77,376	15.2	124,437	23.1	87,960	21.2
Consumables and spare parts	21,269	5.5	18,613	3.7	37,972	7.1	56,114	13.5
Fuel or lubricants	12,955	3.4	18,950	3.7	25,754	4.8	15,205	3.6
Chemicals	8,485	2.2	25,762	5.1	7,846	1.5	4,516	1.1
Total	383,944	100.0	507,317	100.0	537,324	100.0	415,489	100.0

These materials are generally readily available in the market from local suppliers throughout Malaysia.

Our spare parts are procured to replace parts for our machineries and equipment, while contractor services are services obtained for certain major maintenance and refurbishment of these machineries and equipment. Spare parts and contractor services are generally procured from our suppliers for machineries and equipment. There are many suppliers in Malaysia supporting the large oil palm industry in the country and spare parts and contractor services are a relatively stable cost variable.

Our consumables largely comprise of supplies for crop management and for operating our machinery and equipment, which are primarily fertilisers and diesel fuel. With a strong domestic oil and gas industry, there is no shortage of fertiliser and diesel suppliers in Malaysia. The prices of fertilisers and diesel fluctuate based on market conditions and are susceptible to periods of volatility due to rapid changes in supply, demand or simply market sentiment. Fertiliser prices, particularly nitrogenous and potash based fertilisers, generally rise and fall in line with crude oil prices by virtue of its key raw material being a by-product of crude oil and the use of crude oil in its production.

During the FYE 2022, we experienced volatility in the price of fertilisers when prices increased significantly mainly due to the sanctions imposed by various governments around the world in response to the war between Ukraine and Russia, which had the practical effect of reducing the number of fertiliser companies that were supplying to the international fertiliser market. In addition, higher production cost as a result of higher cost of natural gas and higher energy prices, as well as export controls imposed by countries due to the limited supply in the market, also contributed to the increase in the price of fertilisers.

7. BUSINESS OVERVIEW (CONT'D)

The prices and availability of raw materials may be affected by factors such as changes in their global supply and demand, state of the global economy, inflationary pressure, environmental regulations, tariffs, natural disasters, forest fires, weather conditions and labour shortages or unrest.

Any significant fluctuation in the prices and availability of such materials may significantly increase our cost of sales, which may adversely affect our business, financial condition, results of operations and prospects. For the Financial Years Under Review, we were not dependent on any of our suppliers and the raw materials, including FFB, fertilisers and diesel, required for our business operations were readily available in the market, and our operations were not materially affected by any fluctuation in the prices of raw materials.

Additionally, we engage third-party service providers for harvesting, loading, transporting and replanting services to complement and optimise our business operations. We source such services from different third-party service providers and thus, we are not reliant on any single third-party service providers for the sourcing of these services.

7.8 SALES AND MARKETING

We sell our products exclusively through business-to-business sales to customers in Malaysia. To promote our products, we rely primarily on our existing customer relationships, track record and reputation through association with our Promoters, namely JCorp and Kulim, both of whom are well-known among our customers and in our industry. This enables us to keep our sales and marketing costs low.

We believe that our palm oil products are known in the industry and among our customers as high quality and sustainably conscious products. We position ourselves as a proven and trusted partner that is capable of meeting our customers' stringent standard for the quality of our products and consistency of our operations. We also offer after-sales services such as traceability reports that provide greater information for our customers across their supply chains and documentation to confirm our RSPO certification. To this extent, our sales and marketing efforts are supported by our RSPO certification team that tracks and maintains our various certifications.

For the Financial Years Under Review, we achieved a higher average CPO selling prices than the national MPOB average selling prices, as set out in Section 7.2.1(iii) of this Prospectus. We were generally able to market our products at a premium for our CPO due to our certifications, traceability, and high-quality products.

7.9 MATERIAL DEPENDENCY ON CONTRACTS

We are materially dependent on the Tenancy Agreement which has been renewed via the Renewal Tenancy Agreement to ensure the continuity of the oil palm plantation business and activities on the Malay Reserved Estates, the salient terms of which are set out below:

Parties	: JCorp (as landlord) and our Company (as tenant)
Description	: Rental of the Malay Reserved Estates by us from JCorp
Tenure	: 3 years, commencing from 1 July 2023 to 30 June 2026
Total rental	: RM19,219,523

7. BUSINESS OVERVIEW (CONT'D)

Permitted use under the Tenancy Agreement : The Malay Reserved Estates shall only be used for plantation of palm oil, operation of palm oil and palm products processing facilities, renewable energy plant, animal feed mill, and such other facilities or plants to be constructed on the Malay Reserved Estates*

Note:

* Please refer to Section 4.5 of this Prospectus for further details of the intended construction of the integrated sustainable palm oil complex at Pasir Logok Estate using the proceeds to be raised from our IPO.

Conditions of renewal : (i) If our Company shall be desirous of renewing the tenancy of the Malay Reserved Estates upon the expiration of the existing tenancy term on 30 June 2026 and upon expiry of any renewed terms thereafter ("**Extended Term**"), our Company shall, not more than 6 months and not less than 3 months before the date of expiration of the Extended Term, give to JCorp notice in writing of such desire to renew.

(ii) If the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate continues to be in operation, and there shall not be at the time of our Company's notice pursuant to paragraph (i) above any existing breach or non-observance of any of the covenants, provisions and stipulations on the part of our Company contained in the Tenancy Agreement (including the up to date payment by our Company of all accrued total rental payable under the Tenancy Agreement), JCorp will, at the cost and expense of our Company, let the Malay Reserved Estates to our Company for a further fixed period of 3 years, commencing from the date next following the date of expiration of the Extended Term at a revised total rental to be determined after taking into consideration the valuation provided by an independent valuer jointly appointed by JCorp and our Company, subject to a variation of not more than 10% of the prevailing total rental for the relevant tenancy period.

Termination event : Unless otherwise terminated upon the occurrence of any one or more of the following events (each, an "**Event of Default**" and collectively, the "**Events of Default**"), wherein the non-defaulting party shall be entitled to terminate the Tenancy Agreement by providing a written notice of termination to the defaulting party, the Tenancy Agreement shall continuously subsist during the Tenure:

- (i) our Company being wound-up or voluntarily liquidated or otherwise (except for the purpose of amalgamation or reconstruction);
- (ii) JCorp is dissolved pursuant to the Johor Corporation Enactment 1968 (as amended vide the Enactment No. 5, 1995) or, where applicable, the Act; or
- (iii) either party to the Tenancy Agreement fails or neglects to remedy the breach of any of their covenants contained in the Tenancy Agreement and such default continues after 30 days' notice has been given by the other party.

7. BUSINESS OVERVIEW (CONT'D)

Consequences of termination : If a notice terminating the Tenancy Agreement is given by JCorp pursuant to an Event of Default committed by us:

- (i) JCorp shall be entitled to (a) claim for the remaining balance of the total rent for the tenancy, or (b) forfeit the balance of the total rent for the tenancy paid in advance (as the case may be) for the remaining tenancy period during the term of the tenancy as liquidated damages;
- (ii) we shall forthwith peaceably and quietly yield up and deliver to JCorp or its agents vacant possession of the Malay Reserved Estates, together with all the fixtures and all additions# therein, in good and tenantable repair and clean condition (fair wear and tear excepted); and
- (iii) JCorp may, at any time, re-enter upon the Malay Reserved Estates or any part thereof in the name of the whole,

and thereafter, the tenancy shall absolutely cease and determine, and neither party to the Tenancy Agreement shall have any further claim against the other on any matter in respect, or arising out of the Tenancy Agreement (save and except for any antecedent breaches) and JCorp shall be at liberty to re-let or deal with the Malay Reserved Estates as it shall see fit.

Note:

The ownership and operations of the integrated sustainable palm oil complex will not be transferred to JCorp following the termination or expiration of the tenancy. Pursuant to the terms of the Tenancy Agreement, our Company shall return the Malay Reserved Estates to JCorp together with fixtures belonging to JCorp which were rented to our Company at the commencement of the tenancy under the Tenancy Agreement. This does not include the integrated sustainable palm oil complex to be constructed thereon and any structure constructed or to be constructed by our Group as we remain as the absolute owner of the integrated sustainable palm oil complex and other buildings/structures constructed by us on the Malay Reserved Estates.

If a notice terminating the Tenancy Agreement is given by us pursuant to an Event of Default committed by JCorp or JCorp prematurely terminates the tenancy or revokes the right of use of and/or access to the Malay Reserved Estates granted pursuant to the Tenancy Agreement:

- (i) JCorp shall, if such Event of Default or breach occurs at any time during the term of the tenancy, pay to us the NBV of the assets (including oil palm plantations and palm oil and palm products processing facilities) developed or constructed on the Malay Reserved Estates and the NBV of the planting and/or replanting cost[^] of the palm oil plantation as at the date of termination as agreed liquidated damages to us. The demand or receipt of such liquidated damages shall be without prejudice to any rights and remedies that may be available to us and shall be made good by JCorp and constitute a debt due from JCorp to us to be paid forthwith on demand by us;

7. BUSINESS OVERVIEW (CONT'D)

Consequences of termination (cont'd) : (ii) we shall thereafter peaceably and quietly yield up and deliver to JCorp or its agents vacant possession of the Malay Reserved Estates, together with all the fixtures and all additions therein, in good and tenantable repair and clean condition (fair wear and tear excepted); and

(iii) JCorp may, at any time, re-enter upon the Malay Reserved Estates or any part thereof in the name of the whole,

and thereafter, the tenancy shall absolutely cease and determine and neither party to the Tenancy Agreement shall have any further claim against the other on any matter in respect, or arising out of the Tenancy Agreement (save and except for any antecedent breaches) and JCorp shall be at liberty to re-let or deal with the Malay Reserved Estates as it shall see fit.

If our Company, in termination of the tenancy, fails to yield and vacate the Malay Reserved Estates and in addition to the rights of JCorp provided under the Tenancy Agreement, we shall pay to JCorp as agreed liquidated damages a sum equivalent to 2 times the total rental payable by us to JCorp, pro-rated to a daily basis for each day and/or JCorp shall be entitled to evict us and/or take proceedings to enforce the other rights of JCorp under the Tenancy Agreement.

Note:

^ The planting and replanting costs incurred on the Malay Reserved Estates are fully borne by us.

Indemnity for damages : (i) We shall notify JCorp of any legal action taken against us by any third party by virtue of us exercising its business at the Malay Reserved Estates;

(ii) we shall be responsible for and indemnify JCorp against any damage howsoever caused or occasioned to the Malay Reserved Estates or any other part or any adjacent or neighbouring premises or any person or effects caused by or arising out of any act, default or negligence of our Company or our agents or our employees; and

(iii) we shall indemnify JCorp against all claims, proceedings, costs and expenses arising from or in connection with our tenancy and business which include among others, any injury to persons or properties.

For information purposes, the Malay Reservations Enactment 1936 prohibits any transfer, charge, lease or disposal of the Malay Reserved Estates, or any part thereto, to a non-Malay. In calculating the terms of a lease and tenancy, the National Land Code provides that if the term is for a fixed period, no account shall be taken of the fact that it is capable of renewal in pursuance of an option. In other words, the renewal term and the option to renew contained in the Tenancy Agreement should not be taken into consideration in ascertaining the term of the rental of the Malay Reserved Estates, as the rental of the Malay Reserved Estates is for a fixed principal term of 3 years and any renewal of the term of the tenancy of the Malay Reserved Estates is subject to our exercise of the renewal right and compliance with the terms of the Tenancy Agreement. As such, our legal advisers as to Malaysian law opined that the rental of the Malay Reserved Estates by us from JCorp via the Tenancy Agreement and the Renewal Tenancy Agreement, which is for a duration not exceeding 3 years each, constitutes a tenancy and is akin to a right to use the Malay Reserved Estates and does not contravene or constitute a circumvention of the provisions of the Malay Reservations Enactment 1936. Further, the Johor State Government has also indicated that it has no objection to our consecutive renewal of the tenancy arrangement with JCorp in respect of the Malay Reserved Estates to ensure the success of our collaboration with Fuji Oil Asia Pte Ltd for the integrated sustainable palm oil complex.

7. BUSINESS OVERVIEW (CONT'D)

If the Tenancy Agreement is not extended or renewed upon its expiry, or terminated, our business and profitability may be materially and adversely affected. In this connection, JCorp and Kulim have both, vide a letter of confirmation dated 13 September 2023, acknowledged that Kulim intends to purchase the Malay Reserved Estates from JCorp. Upon completion of the purchase of the Malay Reserved Estates by Kulim, JCorp shall assign and novate all of its rights, interests, liabilities and obligations under the Tenancy Agreement to Kulim, and Kulim shall accept all of such rights, interests, liabilities and obligations, and renew the Tenancy Agreement for further consecutive periods to ensure the continuity of our oil palm plantation business carried out on the Malay Reserved Estates, beyond the expiry of the extended tenancy period.

In addition, pursuant to the terms of the Second Supplemental Agreement, we are entitled to renew the tenancy of the Malay Reserved Estates upon expiration of the existing tenancy term on 30 June 2026, so long as the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate continues to be in operation and there is no existing breach or non-observance of any of the covenants and provisions on our part contained in the Tenancy Agreement.

Our entitlement to renew the tenancy of the Malay Reserved Estates under the Tenancy Agreement and the covenants stipulated in the letter of confirmation constitutes a legally binding contract between our Promoters and our Company, and we may enforce such legal rights as may be available to us under the law.

7.10 INTELLECTUAL PROPERTY RIGHTS

As at the LPD, we are not materially dependent on any intellectual property rights including patents and copyrights.

7.11 RESEARCH AND DEVELOPMENT

Research and development form an important component of our business, as we seek to continuously improve the quality of our plant materials for optimal yield.

To support our plantation businesses and renewable energy ventures, we invest in research and development carried out at our Johor Plantations Agritech Centre located in Kota Tinggi, Johor. Johor Plantations Agritech Centre is a centre of excellence that hosts the following operating units which are supported by 131 research and development staffs as at the LPD:

(i) Tissue Culture Laboratory

Our Tissue Culture Laboratory was established in 2006 in our REM Estate. We managed to produce our first in-house clonal materials to be planted at our Sedenak Estate in 2008. We are an MPOB-licensed clone producer and were awarded with the Malaysian Standard (MS 2099:2008) on oil palm clones for commercial planting specification for ortet selection.

Through progressive research, we aim to develop clonal oil palm planting material that will help us achieve a higher oil extraction rate and enhance our yield per hectare. Our Tissue Culture Laboratory selects and supplies elite seeds and ramets, certifies new mother palms and seeks to produce high-quality, high-yield clonal tissue culture ramets. Currently, the plant breeding and tissue culturist team provides SIRIM-certified seed-derived ortets of different genetic backgrounds to produce commercial clonal planting materials.

This effort is expected to result in an increase in ramet production by 2026, gradually reaching the production of 401,831 ramets by 2029. We adopt the clonal material in our plantation estates through our annual replanting programme.

7. BUSINESS OVERVIEW (CONT'D)**(ii) Plant Breeding Laboratory**

Our Plant Breeding Laboratory conducts research and development activities to develop high-performing germinated seeds for use on our estates and for selling to external estates. The production of high-quality seeds requires stringent procedures, which include selecting the highest quality mother and father palm and obtaining approval from SIRIM. As at the LPD, we have successfully produced 369 mother palms and 6 palms certified by SIRIM.

In addition to our in-house research and development work, we also collaborate with MPOB on various oil palm clones. We jointly developed Clone P325 with MPOB after 7 years of research, which was officially recognised as an “elite clone” (a planting material of choice) producing an average FFB of approximately 30 MT per Ha a year, an oil extraction rate of 28.1%, and CPO of 8.5 MT per Ha a year as compared to our standard DxP oil palm with an estimated oil extraction rate of 23.1%, and CPO of 6.6 MT per Ha a year.

(iii) Central Analytical Laboratory

Our Central Analytical Laboratory conducts various chemical and physical tests, focusing mainly on agricultural samples such as soil, fertilisers, foliar, effluent, water, palm oil and latex. It was accredited with ISO/IEC 17025:2017 certification and was awarded with Institut Kimia Malaysia Laboratory Excellence Award 2023 from the Malaysian Institute of Chemistry for its commitment in achieving excellence in providing quality and competent laboratory services. Please refer to Section 6.5 of this Prospectus for further details of our accreditation and awards.

(iv) Agronomy Advisory

Our Agronomy Advisory conducts agronomy research and plant breeding, and operates a microbiology lab. It provides analysis and recommendations on best practices, identifies sites for new agronomy trials, and recommends measures to overcome pest and disease outbreaks.

Our research and development expenditure for the Financial Years Under Review are as follows:

	<u>FYE 2020</u>	<u>FYE 2021</u>	<u>FYE 2022</u>	<u>FYE 2023</u>
Research and development expenditure (RM'000)	1,639	1,644	1,745	2,440
Percentage of revenue	0.2%	0.1%	0.1%	0.2%

7.12 TECHNOLOGY USED**7.12.1 Mechanisation for harvesting and field upkeep**

We have mechanised an increasing number of processes in our plantation estates to improve operational efficiencies. We introduced mini tractor, scissor lifts or grabbers as new methods of in-field evacuation for areas suitable for mini tractors, to replace the mechanical buffaloes. We implemented the use of bin system to replace the manual loading of FFB for speedy evacuation to the POMs, and the use of smart manure spreaders for precision manuring.

For the Financial Years Under Review, our investment in mechanisation amounted to approximately RM0.1 million, RM1.6 million, RM5.4 million and RM4.1 million respectively. Through mechanisation, we aim to improve our productivity and yield, lower our production cost and reduce our dependency on manual labour. We believe that continued mechanisation of our operations and investments in equipment and maintenance presents an opportunity for us to control our costs related to manuring, harvesting and labour, and contribute to stronger profitability as we implement our business growth strategy.

7. BUSINESS OVERVIEW (CONT'D)

7.12.2 Digitalisation

We adopt digitalisation in our workflow and operations to stay competitive. With platforms such as Power Business Intelligence, we leverage data and analytics to improve the way we run our plantation estates, POMs, marketing, and the purchase of external crop. In order to achieve better supervision and control, we introduced the Supervisory Control and Data Acquisition System for the digester control system at our Pasir Panjang POM during the 3rd quarter of 2022.

We have developed the K-Plant mobile application, which is deployed in our operations, to support real-time monitoring and reporting of various processes including sundry payments, check-rolls, nursery operations and harvesting. Within our estates, this mobile application is being used to replace manual in-field and mill tasks to provide a shared information database for plantation operations management.

We also introduced K-For, a system to store relevant data of our foreign workers for better efficiency in managing our workers. In 2023, we launched a pilot project to update our Enterprise Resource Planning System to SAP S/4HANA Cloud and SAP Ariba for enhanced management, operations, administration, and accounting.

For our POMs, we adopt digital solutions to increase operational efficiency including digital weighing, automated control system, computerised maintenance management system, Fourier-transform infrared spectroscopy for quality inspection, digital draft control system for smoke emission, automated sludge dewatering system for effluent treatment plant, digital sensor for ammonia level detection at water course and real-time update computerised emission system.

7.13 QUALITY ASSURANCE PROCEDURES

7.13.1 Quality policy

We strive to achieve the highest quality of our palm products. We are guided by our quality policy, which articulates our expectations of all our plantation estates and POMs in line with the standards imposed or expected by regulators, stakeholders, and our customers.

Our estates-related quality policy includes the following objectives:

- (i) produce ripe FFB to achieve maximum extraction rate;
- (ii) prioritise mechanisation to reduce dependency on labour;
- (iii) continuously train workers to achieve maximum working potential; and
- (iv) promote healthy and safe working conditions.

Our POM-related quality policy includes the following objectives:

- (i) implement a continuous improvement programme to streamline operations to achieve the maximum oil extraction rate;
- (ii) communicate the policy to all employees to set clear expectations and create consistency across the organisation;
- (iii) evaluate the effectiveness of the quality policy on a regular basis to establish corporate objectives and values in order to be appropriated to purpose and context within the organisation;
- (iv) fulfil the requirements of customers; and
- (v) recycle mill by-products for energy savings, resource conservation and reduce environmental pollution.

7. BUSINESS OVERVIEW (CONT'D)

7.13.2 Quality control

We practise quality control at the earliest stages of our production. At the research and development stage, we focus on developing high-yielding palm species. At the harvesting phase, we adopt a grading method to select FFB based on ripeness so as to achieve optimal results when processing CPO. Grading criteria for FFB ripeness according to the colour, size, stalk length and the characteristic ratios of harvested FFB are shared with all our plantation estates, POMs and corporate offices.

We process FFB at our POMs within 24 hours of harvesting to minimise the build-up of free fatty acids that can potentially reduce the quality of CPO produced. We comply with the quality standards specification set by the MPOB and Palm Oil Refiners Association of Malaysian which specifies that free fatty acids content in CPO must not exceed 5%.

7.13.3 Certifications

As at the LPD:

- (i) all our POMs and estates are RSPO-certified. The RSPO is the main certification standard for the use of palm oil and its fractions in food and olechemicals. Our RSPO-certified practices help us to gain access to global markets and provide an assurance to our customers that we follow responsible and sustainable practices.

We also provide advisory and technical support for our smallholders to attain the RSPO certification through our smallholder inclusion programme. As at the LPD, 3 out of our 29 external crop suppliers have been certified by RSPO;

- (ii) all our POMs and plantation estates are MSPO-certified, and our POMs have also achieved the MSPO Supply Chain Certification Standard. The MSPO standard is a national certification standard created by the Government that covers the entire supply chain from upstream oil palm plantations to midstream operations;
- (iii) all 5 of our POMs have been accorded with ISCC status. The ISCC standard is a globally recognised standard for sustainable biomass and bio-energy production that applies to companies selling products to the European markets; and
- (iv) we comply with the ISO/IEC 17025:2017 (Laboratory Management System) standards and MS 1500:2019 (Malaysian Standard on Halal Food) to promote the highest quality of our palm products. These standards influence our policies, strategies, objectives and the allocation of resources.

7.14 MATERIAL EQUIPMENT

As at the LPD, the material equipment used by our POMs as part of our business operations are as follows:

Equipment	Description of use	Audited NBV as at 31 December 2023 (RM'000)
Boilers	A sealed container that heats liquid (typically water) to create steam. The pressurised steam is harnessed to power a steam turbine to generate electricity and provide heating within a processing system.	35,752
Sterilisers	A machine that uses high-temperature pressurised steam to loosen FFB. It prevents increased free fatty acids, deactivates enzymes, aids in stripping, prepares for de-oiling and oil extraction, and minimises kernel breakage.	24,295
Total		60,047

7. BUSINESS OVERVIEW (CONT'D)**7.15 EMPLOYEES**

The number of employees of our Group as at 31 December 2023 and the LPD is as follows:

Categories	Number of employees					
	As at 31 December 2023			As at the LPD		
	Local	Foreign	Total	Local	Foreign	Total
Management and professional	109	-	109	108	-	108
Executive and assistant managers	258	-	258	262	-	262
Office and field staff or guard	896	-	896	885	-	885
General field workers	1,208	(1)3,884	5,092	1,208	(1)3,572	4,780
Total	2,471	3,884	6,355	2,463	3,572	6,035

Note:

(1) The breakdown of general field workers by nationality are as follows:

Nationality	Number of employees	
	As at 31 December 2023	As at the LPD
Indonesian	3,440	3,179
Bangladeshi	438	389
Indian	6	4
Total	3,884	3,572

The breakdown of our employees by geographical location are as follows:

Categories	Number of employees					
	As at 31 December 2023			As at the LPD		
	Johor	Pahang	Total	Johor	Pahang	Total
Management and professional	108	1	109	107	1	108
Executive and assistant managers	255	3	258	259	3	262
Office and field staff or guard	881	15	896	870	15	885
General field workers	4,937	155	5,092	4,628	152	4,780
Total	6,181	174	6,355	5,864	171	6,035

As at the LPD, we employed a total workforce of 6,035 employees, of which 2,444 are permanent employees and 3,591 are contractual employees. Some of our operations staff and workers, including foreign workers, are members of the All Malayan Estates Staff Union or National Union of Plantation Workers. There has not been any major industrial dispute pertaining to our employees since we commenced operations. Save as disclosed in Section 7.19.3(iii), all our foreign workers working in Malaysia have valid working permits.

We provide job rotation and generic training to staff at all levels to broaden their knowledge and capabilities, and foster a better understanding of the organisation as a whole and the functions of the different operating units and departments. We also train our employees to be equipped with contemporary knowledge and competencies through our upskilling and re-skilling program.

We regularly review our Talent Development Programme to ensure that it remains relevant in supporting our business plan and developing our talent pool. Our ultimate goal is to have the right person with the right skills for the right job at the right time and assess leadership readiness for key positions as and when the need arises.

7. BUSINESS OVERVIEW (CONT'D)

To support our core business and to attract the right talent, we introduced our Cadet Planter Programme in 2008 through which we recruit 10 to 15 cadet planters every year to undergo on-the-job training at our estates. We offer permanent planter positions to cadet planters that we identify as having potential for long-term roles with us.

Under our Women OnWards Programme, which was established in 2008 as part of a larger women's employee outreach programme to support and promote gender equality, we provide a platform for our female employees to air their grievances, and to assist them in advancing their knowledge and skills.

7.16 MAJOR CUSTOMERS

Our top 5 major customers by revenue contribution for the Financial Years Under Review are as follows:

FYE 2020

Major customers	Type of products	Length of relationship as at 31 December 2020	Revenue contribution	
			RM'000	%
Intercontinental Specialty Fats Sdn Bhd	CPO	5 years	419,484	41.1
Mewaholeo Industries Sdn Bhd	CPO	22 years	207,480	20.3
PGEO Group Sdn Bhd	CPO and PK	8 years	74,556	7.3
Jin Lee (Oil Mills) Sdn Bhd	PK	22 years	49,802	4.9
Nespalm Sdn Bhd	CPO	15 years	47,606	4.7
			798,928	78.3

FYE 2021

Major customers	Type of products	Length of relationship as at 31 December 2021	Revenue contribution	
			RM'000	%
Intercontinental Specialty Fats Sdn Bhd	CPO	6 years	658,033	42.5
Mewaholeo Industries Sdn Bhd	CPO	23 years	154,609	10.0
Palmaju Edible Oil Sdn Bhd*	CPO	23 years	143,290	9.2
PGEO Group Sdn Bhd	CPO and PK	9 years	100,988	6.5
Jin Lee (Oil Mills) Sdn Bhd	PK	23 years	89,909	5.8
			1,146,829	74.0

FYE 2022

Major customers	Type of products	Length of relationship as at 31 December 2022	Revenue contribution	
			RM'000	%
Intercontinental Specialty Fats Sdn Bhd	CPO	7 years	730,868	41.7
Palmaju Edible Oil Sdn Bhd*	CPO and PK	24 years	391,634	22.4
Vance Bioenergy Sdn Bhd	CPO	7 years	60,413	3.4
Carotino Sdn Bhd	CPO	8 years	56,543	3.2
TS Global Link Sdn Bhd	CPO	3 years	52,646	3.0
			1,292,104	73.7

7. BUSINESS OVERVIEW (CONT'D)**FYE 2023**

Major customers	Type of products	Length of relationship as at 31 December 2023	Revenue contribution	
			RM'000	%
Intercontinental Specialty Fats Sdn Bhd	CPO	8 years	478,918	38.2
Palmaju Edible Oil Sdn Bhd*	CPO and PK	25 years	283,837	22.6
PGEO Group Sdn Bhd	CPO and PK	11 years	211,330	16.9
Mewaholeo Industries Sdn Bhd	CPO	25 years	76,742	6.1
Cargill Palm Products Sdn Bhd	CPO	9 years	55,662	4.5
			1,106,489	88.3

Note:

- * Palmaju Edible Oils Sdn Bhd is a wholly-owned subsidiary of Fuji Oil Asia Pte Ltd, which is our partner for our venture into the downstream plantation business, as well as a 49% shareholder of our subsidiary, JPG Fuji, as set out in Section 4.5.1(a) of this Prospectus. Any future transaction with Palmaju Edible Oils Sdn Bhd (i.e. sale of CPO and PK) will not be normally regarded as related party transaction pursuant to exemption under Paragraph 10.08(11)(n) of the Listing Requirements.

As at the LPD, none of our Directors, Promoters and/or Substantial Shareholders had any interest, direct or indirect, in any of our major customers.

During the Financial Years Under Review, there was a concentration of our Group's revenue from 3 of our major customers, namely:

- (a) Intercontinental Specialty Fats Sdn Bhd, which contributed more than 38.0% to our Group's revenue for the Financial Years Under Review;
- (b) Palmaju Edible Oils Sdn Bhd, from which our Group generated revenue on an increasing trend, from 9.2% for the FYE 2021 to 22.6% for the FYE 2023; and
- (c) PGEO Group Sdn Bhd, from which our Group generated revenue on an increasing trend, from 7.3% for the FYE 2020 to 16.9% for the FYE 2023.

However, we were not dependent on any of our customers during the Financial Years Under Review as:

- (i) CPO and PK are agriculture commodities that are freely traded in a market with a wide variety of customers globally. We differentiate ourselves by producing and selling a majority of palm oil products that are highly traceable and certified as having complied with sustainability requirements. This differentiation enables us to offer our palm oil products to a wide group of customers comprising both conventional and non-conventional buyers with commitment towards sustainable sourcing;
- (ii) we do not impose a contractual obligation on our customers to purchase any minimum quantity of palm oil products from our Group. If our customers do not place orders with us at the current levels, any surplus inventory is sold to other customers in the market which include palm oil refineries, oleochemical manufacturers and commodity traders. For the Financial Years Under Review, we have not experienced any material adverse impact on our financial performance as a result of customers discontinuing their relationship with us or deciding to purchase lower volume than expected;

7. BUSINESS OVERVIEW (CONT'D)

- (iii) the increasing consumer awareness on health, food, safety and sustainability has driven demand among our customers and their end-consumers for sustainably-produced palm oil products. Due to our sustainable palm oil product offerings, which are traceable and RSPO-certified, we are generally able to sell our products at a premium in the segment of the market that focuses on sustainably-sourced CPO. We focus on selling large volume of palm oil products to a limited number of customers as part of our sales strategy. These customers are selected from a pool of more than 20 customers based on, among others, their working relationship with our Group, credit profile and willingness to offer a premium for the certified palm oil products;
- (iv) we have established a reputation as a reliable and sustainable supplier in the industry and have a good working relationship with our customers, both of which play a vital role in the sale of our palm products, as evidenced by our customer's willingness to offer a premium for our palm products. We have not, in the past 5 years, encountered any problem selling all of our palm products; and
- (v) we have a close working relationship with our existing customers. These customers have been our customers for more than 7 years, and through our Group's established business relationship with them, have continuously purchased palm oil products from our Group.

We do not consider ourselves to be dependent on Mewaholeo Industries Sdn Bhd in view that revenue contribution from this customer has been on a declining trend over the Financial Years Under Review.

7.17 MAJOR SUPPLIERS

Our top 5 major suppliers for the Financial Years Under Review are as follows:

FYE 2020

Major suppliers	Type of products	Length of relationship as at 31 December 2020	Value of purchases	
			RM'000	%
Guan Leng Trading Sdn Bhd	FFB	9 years	77,829	20.3
JCorp Group ⁽¹⁾	FFB	6 years	49,986	13.0
Hong Hui Trading	FFB	13 years	32,771	8.5
Wilmar Agrifert Marketing Sdn Bhd (formerly known as Agrifert Marketing Sdn Bhd)	Fertilisers	9 years	24,109	6.3
Perniagaan Sri Misan	FFB	9 years	22,036	5.7
			206,731	53.8

FYE 2021

Major suppliers	Type of products	Length of relationship as at 31 December 2021	Value of purchases	
			RM'000	%
Guan Leng Trading Sdn Bhd	FFB	10 years	150,776	29.7
Hong Hui Trading	FFB	14 years	49,948	9.8
Perniagaan Sri Misan	FFB	10 years	47,273	9.3
Behn Meyer AgriCare (M) Sdn Bhd	Fertilisers and chemicals	10 years	21,039	4.1
FGV Fertiliser Sdn Bhd	Fertilisers	3 years	18,957	3.7
			287,993	56.6

7. BUSINESS OVERVIEW (CONT'D)**FYE 2022**

Major suppliers	Type of products	Length of relationship as at 31 December 2022	Value of purchases	
			RM'000	%
Guan Leng Trading Sdn Bhd	FFB	11 years	110,354	20.5
Hong Hui Trading	FFB	15 years	57,652	10.7
Hap Seng Fertilizers Sdn Bhd	Fertilisers	10 years	48,953	9.1
Perniagaan Sri Misan	FFB	11 years	36,385	6.8
FGV Fertiliser Sdn Bhd	Fertilisers	4 years	28,724	5.3
			282,068	52.4

FYE 2023

Major suppliers	Type of products	Length of relationship as at 31 December 2023	Value of purchases	
			RM'000	%
Guan Leng Trading Sdn Bhd	FFB	12 years	77,908	18.8
Hong Hui Trading	FFB	16 years	45,201	10.9
Perniagaan Sri Misan	FFB	12 years	27,840	6.7
Union Harvest Sdn Bhd	Fertilisers	10 years	22,452	5.4
Choon Guan Oil Palm Sdn Bhd	FFB	10 years	17,840	4.3
			191,241	46.1

Note:

- (1) The major suppliers under the JCorp Group comprise JCorp and Johor Franchise Development. The length of our business relationship with them of 6 years (as at 31 December 2020) is based on the first purchase and supply of FFB in 2015.

The JCorp Group was our major supplier for the FYE 2020 as we purchased FFB harvested from the Malay Reserved Estates from them during that time. Subsequently, we entered into the Tenancy Agreement with JCorp to rent the Malay Reserved Estates from July 2020 to June 2023, followed by the Renewal Tenancy Agreement from July 2023 to June 2026, for the operation of oil palm plantation and have since ceased purchasing FFB from these related parties.

As at the LPD, none of our Directors, Promoters and/or Substantial Shareholders have any interest, direct or indirect, in any of our major suppliers.

We purchase FFB from external suppliers, such as smallholder farmers and FFB traders who collect FFB from smallholders, to maximise the utilisation of our POMs. To procure supply commitments from these FFB suppliers, we enter into short term supply contract with them to purchase FFB from their estates, subject to annual review and renewal. Please refer to Section 7.4.1.2(i) of this Prospectus for details of FFB purchased from our external suppliers and FFB produced by us for the Financial Years Under Review.

We also actively engage with smallholders via our smallholder inclusion programme to assist them in obtaining RSPO certification for their estates, which represents a potential source of additional RSPO-certified FFB for our Group's operations.

We purchase fertilisers and chemicals from local suppliers. For the Financial Years Under Review, we are not dependent on any of our suppliers. Although we have substantial purchases and long-term business relationships with various suppliers during the Financial Years Under Review, the FFB, fertilisers and chemicals products required for our business operations are commodities which are readily available in the market and may be sourced from other suppliers throughout Malaysia.

7. BUSINESS OVERVIEW (CONT'D)

7.18 INTERRUPTIONS TO OUR BUSINESS AND OPERATIONS

Save as disclosed below, there has not been any material disruption to our business activities during the Financial Years Under Review up to the LPD.

7.18.1 COVID-19 pandemic

Due to the outbreak of the COVID-19 pandemic in 2020, the Government had implemented various measures and restrictions on the conduct of activities, including quarantine measures, restrictions on the movement of persons and closure of borders, to contain the spread of the virus. These actions were eased and tightened during the course of 2020 and 2021 as the extent of the COVID-19 pandemic had been fluctuating.

The MCO period had no material impact on our operations. As oil palm sector was classified under “essential services” sector, our operations were not disrupted, and we were allowed to operate while complying with certain mandatory operating procedures (such as reduced workforce capacity) outlined by MITI during the MCO period from 18 March 2020 to 3 May 2020. Since June 2021, we were allowed to operate by complying with the general operating procedures issued by the Government.

We experienced some delays in the movement of our palm products (FFB from traders and/or smallholders), inputs (fertilisers and chemicals), machinery and spare parts, and other support services due to the outbreak of the COVID-19 pandemic in 2020. However, the COVID-19 pandemic did not have a significant impact on our Group's supply chain during the MCO period.

We did not experience any disruption of our supply chain in 2022, 2023 and the period from 1 January 2024 up to the LPD. We continue to implement control measures to protect the health and safety of our workers, and establish business continuity and disaster recovery plans to ensure we are prepared to respond to and recover from business disruption events or situations.

Please refer to Section 7.18.2 of this Prospectus for the impact on our availability of labour as a result of the COVID-19 pandemic.

7.18.2 Labour shortage

As at the LPD, approximately 74.7% of our estate workers are foreigners. Out of the total 3,572 foreign workers, 1,376 foreign workers have been approved by the Ministry of Human Resources to be transferred to our Group and are awaiting the issuance of new Passes under our Group by the Immigration Department of Malaysia, while 165 out of 3,572 foreign workers are pending approval from the Ministry of Human Resources, which is expected to be obtained by the 3rd quarter of 2024. We rely on foreign labour to carry out most of the field work in our estates, such as harvesting, fruit loading, manuring and spraying.

In 2020, the implementation of the MCO by the Government from 18 March 2020 prevented the hiring of foreign workers. In response, we implemented various strategies to overcome the resulting labour shortage, such as introduction of an incentive scheme of RM1,200 per year for all foreign workers who served for at least 3 years to prolong their stay in Malaysia, an engagement session with the consulate general of Indonesia in Johor Bahru for the postponement of the foreign workers' pre-planned departure back to their home country, and the recruitment of approximately 150 local workers from nearby villages to work in our estates. As a result, we were able to manage the foreign labour shortfall and achieve a moderate increase in yield per to 22.9 MT per Ha for the FYE 2020 from 21.7 MT per Ha recorded in the previous financial year.

7. BUSINESS OVERVIEW (CONT'D)

In 2021, the prolonged freeze in new recruitment of foreign workers and continuous attrition of experienced workers returning to their home countries as a result of the COVID-19 pandemic, resulted in an unprecedented acute shortage of labour. In Malaysia, the supply of labour was constrained, especially in the plantation industry. Given our overall manpower constraints in these conditions, we allocated more estate workers to harvesting, which resulted in fewer workers and some collateral delays in the areas of estates' upkeep and maintenance. FFB production during the year was also significantly impacted by extremely low rainfall during the 1st half of 2019. The prolonged dry conditions induced moisture stress in the oil palms, which affected plant vegetative growth and in turn, led to reduced production. This resulted in declining FFB yield during the 1st quarter of 2021 once those palms matured. For the same reason, the crop of oil palm seedlings in 2019 (which affected production in 2021) produced lower than expected yields.

In 2022, the acute labour shortage continued as a result of the prolonged freeze of new recruitment of foreign workers. On 1 April 2022, Malaysia's national borders were reopened to allow new intake of foreign workers and we have recruited a total of 2,362 new workers from Indonesia since June 2022 up to the LPD. Despite the acute labour shortage during the 1st quarter of 2022, we managed to produce 1.1 million MT of FFB in 2022, representing an increase of 7.4% in FFB production volume as compared to that in 2021.

We also implemented several initiatives throughout the year to address our labour shortage such as increased mechanisation involving the usage of mini tractor, scissor lifts or grabbers for collection of FFB, bin system for speedy evacuation of FFB to our POMs, and smart manure spreaders for the application of fertilisers in the field.

Since January 2023 and up to the LPD, we have not experienced shortage of labour as the COVID-19 related travel restrictions abated and the sourcing of foreign workers began to normalise.

7.18.3 Flooding in Johor

In March 2023, Johor was affected by extreme weather condition with nearly 2 weeks of torrential rain which caused flooding. The flooding displaced large numbers of people in the state from their homes, and damaged roads, bridges and other infrastructure. In relation to our operations, the flooding impeded and, in some cases, entirely prevented workers from traveling to, from and within our estates to harvest and transport FFB.

As a result of the above, our FFB yields declined by approximately 1.8% while our CPO and PK production decreased by approximately 6.4% and 5.2% respectively during the FYE 2023 as compared to the FYE 2022. Notwithstanding that this had resulted in loss of FFB yield and CPO and PK production, we do not expect the flooding to have a significant long-term impact as the irrigation and drainage systems were able to evacuate the flood waters from the estates and our oil palms were not inundated for an extended period of time. We have incurred approximately RM3.2 million for repair and maintenance work resulting from the flood incident as at the LPD.

7.18.4 Fire incident at our biomethane plant at Sedenak POM

On 25 October 2023, a fire broke out at our biomethane plant located at the Sedenak POM. Based on the fire investigation report issued by the Fire and Rescue Department, the fire was caused by lightning striking the top lining (canopy) of one of the 2 biogas ponds. This incident resulted in damage to the top lining (canopy) of the biogas pond and the gas capture mechanism of both ponds. The fire is believed to have lasted for less than 10 minutes and there was no casualty or injury caused to any person as a result of the fire.

The operation of the 2 biogas ponds in treating POME are not affected and there has been no POME overflowing from the 2 biogas ponds. However, due to the damage to the top lining (canopy) and gas capture mechanism, the biogas ponds are no longer able to trap biogas which is used to produce biomethane. No other properties or assets of our Group located at the Sedenak POM, including any part of the plantation estate, were damaged by the fire and accordingly, the operations of facilities at the Sedenak POM (other than the biomethane plant) remain unaffected.

7. BUSINESS OVERVIEW (CONT'D)

The biomethane plant was placed under emergency shutdown during the incident and has not been in operation since then. The damage to the biomethane plant is awaiting assessment by loss adjusters and the biomethane plant is currently undergoing restoration works. Our management has notified the Department of Environment and DOSH regarding the incident.

We began generating revenue from our biomethane plant from August 2023 and recorded revenue of approximately RM0.6 million (representing less than 0.1% of our Group's total revenue for the FYE 2023) up to the date of the fire incident. The fire incident is not expected to have a material adverse impact on our business operations and financial condition as the operation of the Sedenak POM is not disrupted as a result of the fire incident, and the revenue and anticipated profit contribution from the biomethane plant is not material to our financial position or prospects. As at the LPD, the fire incident has not resulted in fines or penalties by any authorities or any other impact. Restoration works were completed in May 2024 and we have since resumed operations at the said plant.

The fire incident is not expected to affect the gas supply arrangement contemplated under the gas purchase agreement entered into with Gas Malaysia Green Ventures in 2019 as Gas Malaysia Green Ventures had, via a written confirmation, acknowledged that the fire incident is considered as a force majeure event as prescribed under the gas purchase agreement.

7.18.5 Adverse weather conditions

Weather has a key impact on oil palm yields. Volatile and unpredictable weather patterns require us to be meticulous and farsighted in terms of planning for our plantations. We experienced extremely low rainfall during the 1st half of 2019, which led to declining FFB yield in the 1st quarter of 2021. There was also hot and dry weather during the 1st half of 2019, which resulted in a higher percentage of FFB being unsuitable for processing. Both incidents contributed to our lower FFB yields in the FYE 2021 as compared to the FYE 2020. In contrast, we experienced favourable weather conditions in the first 3 quarters of 2022, which is expected to improve FFB yields in future harvests.

Weather conditions also affect global CPO and PK prices, which in turn affect our selling prices. There have been 3 price rallies since 1990 caused by strong El Niño weather events in 1995, 2009 and 2019. These El Niño events saw widespread droughts in Southeast Asia, which led to lower FFB yields and reduced CPO and PK supply, thereby increasing CPO and PK prices.

Please refer to Section 7.18.3 of this Prospectus for more information on weather conditions that impacted our business and operations.

7.19 GOVERNING LAWS AND REGULATIONS

The relevant laws and regulations governing us and which are material to our operations are summarised below.

7.19.1 Governing laws and regulations relating to the palm oil industry

The cultivation, movement, sale, purchasing and milling of the palm fruit as well as the sale movement and purchase of palm oil and PK in Malaysia are governed by the following legislations:

(i) MPOB Act

MPOB Act empowers MPOB to govern and regulate every aspect of palm oil business. The MPOB Act emphasises on the composition and the powers of MPOB. The establishment of MPOB is to promote and develop the oil palm industry of Malaysia and to develop national objectives, policies and priorities for the orderly development and administration of the oil palm industry of Malaysia.

7. BUSINESS OVERVIEW (CONT'D)

MPOB is responsible for regulating, registering, coordinating and promoting all activities relating to planting, supply, sale, purchase, distribution, movement, storage, surveying, testing, inspecting, brokering, export and import of oil palm products, and the milling of oil palm fruit.

A person who is guilty of an offence under the MPOB Act for which no penalty is expressly provided shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 2 years, or to both.

We have complied with and will continue to ensure compliance with the MPOB Act.

(ii) MPOB (Licensing) Regulations 2005

The MPOB (Licensing) Regulations 2005 regulate the palm oil licensed activities. These regulations prescribe the procedures and the relevant forms for applications for licences to, among others, produce, sell, move, store, purchase, export or import oil palm planting material, oil palm fruit, PK, and other palm oil produce.

A person who carries out a licensed activity without an appropriate licence issued by MPOB commits an offence and shall, on conviction, be liable to a fine not exceeding RM200,000 or to imprisonment for a term not exceeding 3 years, or to both.

We have obtained the requisite licences from the MPOB to carry out the licensed activities at our plantation estates and POMs. Please refer to Annexure A for details of the licences issued by the MPOB to our Group.

(iii) MPOB (Quality) Regulations 2005

The purpose of MPOB (Quality) Regulations 2005 is to control and determine the quality of all activities in the palm oil industry. This includes, among others, production and management of palm oil planting material, grading and milling of oil palm fruit, processing, storing, transferring, handling and transporting of oil palm products.

Quality declaration for the local trade of palm oil products shall be made to MPOB to determine whether such product conform to the type and quality of palm oil products which may be sold. A person who fails to comply with such requirement commits an offence and shall, on conviction, be liable to a fine not exceeding RM200,000 or to imprisonment for a term not exceeding 2 years, or to both.

MPOB may also set conditions on the sale of palm oil products. We shall comply with the circulars issued by MPOB from time to time to ensure quality of the palm oil product.

We have complied with and will continue to ensure compliance with the MPOB (Quality) Regulations 2005.

(iv) MPOB (Compounding of Offences) Regulations 2005

Under the MPOB (Compounding of Offences) Regulations 2005, all offences committed under the MPOB Act and regulations enacted under the MPOB Act that are specified in this regulation, may be compounded by the Director General of MPOB.

For the information purpose, we have not been compounded by the MPOB for any offences under the MPOB Act and its regulations.

7. BUSINESS OVERVIEW (CONT'D)

(v) **EQA, Environmental Quality (Prescribed Premises) (Crude Palm-Oil) Regulations 1977 and Environmental Quality (Clean Air) Regulations 2014**

The EQA restricts pollution of the atmosphere, noise pollution, pollution of the soil, pollution of inland waters without a licence, prohibits the discharge of oil into Malaysian waters without licence, discharge of wastes into Malaysian waters without a licence, and prescribes premises to be licensed.

Pursuant to the Environmental Quality (Prescribed Premises) (Crude Palm-Oil) Order 1977, premises occupied or used for the processing of oil-palm fruit or oil-palm FFB into CPO, whether as an intermediate or final product, are prescribed premises in which a licence will be required for the occupation or use of such premises.

Any person who fails to obtain such licence, shall upon conviction, be liable to a fine not exceeding RM50,000 or imprisonment for a period not exceeding 2 years or to both and to a further fine of RM1,000 for every day that the offence is continued after a notice has been served upon him to cease the act.

The Environmental Quality (Clean Air) Regulations 2014 regulate the emission of air pollutants to the atmosphere and specifies the requirements for an air pollution control system for every premises to which the regulations apply, including any premises or process that discharges or is capable of discharging air pollutants into the open air.

Any person who contravenes or fails to comply with any provision of the regulations shall be guilty of an offence and shall be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding 2 years or to both.

Our POMs have obtained the licences from Department of Environment to occupy or use the POMs for the purpose of our business operations. Please refer to Annexure A for details of the licences issued by the Department of Environment to our Group.

7.19.2 Other relevant legislations

(i) **SDBA**

The SDBA provides uniformity of law and policy to make laws with regard to local government matters relating to street, drainage and buildings in Peninsular Malaysia. It provides for the requirement to have a CF or CCC to ensure that the building is safe and fit for occupation.

In exercise of the powers conferred by the SDBA, the Uniform Building By-Laws 1984 has been put into force. Under the Uniform Building By-Laws 1984, the CCC shall be issued by the principal submitting person, among others:

- (a) when all the technical conditions as imposed by the local authority have been duly complied with;
- (b) when all essential services have been provided; and
- (c) when he has supervised the erection and completion of the building and that to the best of his knowledge and belief the building has been constructed and completed in accordance with the SDBA, Uniform Building By-Laws 1984 and the approved plans.

No person shall occupy or permit to be occupied any building or any part thereof unless a CF or CCC has been issued, and any failure to comply shall be liable on conviction to a fine of up to RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

Save as disclosed in Section 7.19.3(i) of this Prospectus, the buildings used or occupied by our Group which are material for the conduct of our Group's business or operations comply with the requirements for CF or CCC.

7. BUSINESS OVERVIEW (CONT'D)

(ii) FSA

The FSA provides for, among others, the protection of persons and property from fire risks or emergencies and for purposes connected therewith. Pursuant to the FSA, every designated premises shall require a fire certificate. A fire certificate is issued by the Director General of Fire and Rescue after an inspection of the designated premises has been carried out and on being satisfied that there exists adequate fire-fighting equipment or fire safety installation in relation to the use of the designated premises.

“Designated premises” has been defined under the Fire Services (Designated Premises) Order 1988 (as amended by the Fire Services (Designated Premises) (Amendment) Order 2020) to include the following:

- (a) premises throughout Malaysia used as an office with a size of 30 metres and above in height or 10,000 square metres and over (total floor area);
- (b) premises throughout Malaysia used as a shop with 3,000 square metres and over (total floor area);
- (c) premises throughout Malaysia used as a factory and if it is a single storey - 2,000 square metres and over (total floor area) where the automatic sprinkler systems are installed or if it is 2 storeys and above - 2,000 square metres and over (total floor area) where the automatic sprinkler systems are installed; and
- (d) premises throughout Malaysia for storage and general use with a size of 1,000 square metres and over (total floor area) or 7,000 m³ and over, where the automatic sprinkler systems are installed.

Pursuant to the FSA, where there is no fire certificate in force in respect of any designated premises the owner of the premises shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 5 years or to both.

Where an offence under the FSA committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary, or other similar officer of the body corporate, or any person purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence.

Further, the FSA also requires the owner, occupier or person having the overall management of the designated premises to establish a fire safety organisation, failing which he shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 5 years or to both.

Our POMs are designated premises and 2 of the POMs have not been issued with a fire certificate. The application for fire certificates for 1 out of the 2 POMs has been submitted in December 2023 and the application for the remaining 1 POM is expected to be submitted by the 2nd quarter of 2024. Please refer to Section 7.19.3(ii) of this Prospectus for further details.

7. BUSINESS OVERVIEW (CONT'D)

(iii) Immigration Act 1959/63 (“Immigration Act”)

The Immigration Act regulates various aspects of immigration into Malaysia, including the entry of foreign workers into Malaysia.

Any person who employs one or more persons, other than a citizen or a holder of an entry permit who is not in possession of a valid pass to enter Malaysia shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM50,000 or to imprisonment for a term not exceeding 12 months or to both for each of such employee.

A pass lawfully issued to any person shall cease to be a valid pass when any of its terms and conditions is contravened. Where the pass has been issued for temporary employment, any changes in the employment for which it is issued must be with the written consent of the Controller of Immigration.

If it is proved to the satisfaction of the court that a person has at the same time employed more than 5 employees who are not in possession of a valid pass, that person shall, on conviction be liable to imprisonment for a term of not less than 6 months but not more than 5 years and shall also be liable to whipping of not more than 6 strokes.

Where the offender is a body corporate, any person who at the time the offence was committed, was a member of the board of directors, a manager, a secretary or a person holding an office or a position similar to that of a manager or secretary of the body corporate, shall be guilty of that offence and shall be liable to the same punishment as mentioned above.

As at the LPD, we have 3,572 foreign workers, out of which 1,376 workers are currently awaiting issuance by the Immigration Department of Malaysia of new visitor’s pass (temporary employment) (“**Pass**”) under our Group, and 165 workers are pending approval by the Ministry of Human Resources to be transferred from the Kulim group of companies to our Group. Further details in relation to the issuance of Passes of foreign workers are set out in Section 7.19.3(iii) of this Prospectus.

(iv) National Land Code (Revised 2020) (“NLC”)

The NLC governs land matters within Peninsular Malaysia, where our lands are situated.

Pursuant to the NLC, the state authority may alienate land subject to such express conditions and restriction in interest which shall be determined by the state authority at the time when the said land is approved for alienation, and every condition or restriction of interest imposed shall be endorsed on or referred to in the document of title to the land.

The NLC provides that upon any breach arising of any condition to which any alienated land is for the time being subject, the land shall become liable to forfeiture to the state authority, where the land administrator may make an order for the payment of a fine of not less than RM500, and in the case of a continuing breach, a further fine of not less than RM100 for each day during which the breach continues.

Save as disclosed in Section 7.19.3(iv) of this Prospectus, the lands which our Group occupies are in compliance with the conditions stipulated in the document of title.

7. BUSINESS OVERVIEW (CONT'D)

(v) OSHA

The OSHA provides provisions for securing the safety, health and welfare of persons at work, for protecting others against risk to safety or health in connection with the activities of persons at work and for matters connected therewith.

Employers and every self-employed person must so far as is practicable, ensure the safety, health and welfare at work of all its employees by (including but without limitation):

- (a) the provision and maintenance of plant and systems of work that are, so far as is practicable, safe and without risks to health;
- (b) the making of arrangements for ensuring, so far as is practicable, safety and absence of risks to health in connection with the use or operation, handling, storage and transport of plant and substances;
- (c) the provision of such information, instruction, training and supervision as is necessary to ensure, so far as is practicable, the safety and health of our employees at work;
- (d) so far as is practicable, as regards any place of work under the control of the employer or self-employed person, the maintenance of it in a condition that is safe and without risks to health and the provision and maintenance of the means of access to and egress from it that are safe and without such risks; and
- (e) the provision and maintenance of a working environment for its employees that is, so far as is practicable, safe, without risks to health, and adequate as regards facilities for their welfare at work.

Failure to comply with the above constitutes an offence and the employer is liable to a fine not exceeding RM50,000 or to imprisonment for a term not exceeding 2 years, or to both. Where a body corporate contravenes any provision of the OSHA or any regulation made thereunder, every person who at the time the offence was committed is a director, manager, secretary or other like officer of the body corporate shall be deemed to have contravened the provision and may be charged jointly in the same proceedings with the body corporate or severally, and every such director, manager, secretary or other like officer of the body corporate shall be deemed to be guilty of the offence. Where a person convicted in respect of an offence under the OSHA or any regulation made thereunder is a body corporate or a trade union, it shall only be liable to the imposition of a fine provided therefor.

There had been instances of non-compliance with the OSHA arising from the occurrence of accidents as disclosed in Section 7.19.3(v) of this Prospectus, and our Group has since implemented Safety Measures (as set out and defined in Section 7.19.3(v) below) to comply with the applicable control measures required under the OSHA.

As at the LPD, as we employ more than 100 employees, we are also required under the OSHA to employ a safety and health officer, who is tasked with ensuring the due observance of the statutory obligations as regards to workplace health and safety and the promotion of a safe conduct of work at the workplace. We have also set up a health and safety committee, which we consult in promoting and developing measures to ensure the safety and health at the place of work of the employees, and in checking the effectiveness of such measures.

7. BUSINESS OVERVIEW (CONT'D)

(vi) FMA

The FMA governs the control of factories with respect to matters relating to safety, health and welfare of person therein, the registration and inspection of machinery and for matters connected therewith.

No person shall install or caused to be installed any machinery in respect of which a certificate of fitness is prescribed except with the written approval of the Inspector of Factories and Machinery. In addition, no person shall operate or cause or permit to be operated any machinery in respect of which a certificate is prescribed unless a valid certificate of fitness under the FMA has been issued. Any person who fails to obtain a valid certificate of fitness in respect of any machinery of which a certificate is required shall be guilty of an offence and shall on conviction, be liable to a fine not exceeding RM150,000 or to imprisonment for a term not exceeding 3 years or to both.

The machinery and equipment that we own and/or operate in the course of carrying out our business operations are governed by the requirements of the FMA. Accordingly, we have been issued with certificates of fitness in respect of the machinery and equipment which fall under the purview of the FMA and have submitted renewal application for the certificate of fitness in a timely manner before expiration of such certificates of fitness.

Please refer to Annexure A for details of the certificates issued by DOSH to our Group.

(vii) Control of Supplies Act 1961 and Control of Supplies Regulations 1974

The Control of Supplies Act 1961 governs the law on controlled article in Malaysia. Pursuant to the Control of Supplies Regulations 1974, a permit shall be required for any person to possess over 20 litres of petrol and diesel fuel for usage in the course of its trade or business.

Any person who contravenes or fails to obtain permit as required by the regulations shall be guilty of an offence. Upon conviction, any body corporate shall be liable to a fine not exceeding RM2,000,000 and for subsequent offence, to a fine not exceeding RM5,000,000. The director or officer of such body corporate may also be liable to a fine not exceeding RM1,000,000 or to imprisonment for a term not exceeding 3 years or to both, and for subsequent offence, to a fine not exceeding RM3,000,000 or to imprisonment for a term not exceeding 5 years or to both.

We have obtained the permits to purchase and store diesel fuel and/or petrol required for the purpose of our business operations.

(viii) The Waters Enactment 1921

The Water Enactment 1921 provides for the control of rivers and streams including diversion of water from rivers.

No person shall by means of any ditch, drain, channel, pipe or otherwise divert the water from any river from its natural course unless being issued a licence. Licences shall be obtained to divert water from a river in any district for use for, among others, generation of electricity, private or domestic purposes and for industrial and other purposes. Any person who fails to obtain such licence shall upon conviction, be liable to a fine not exceeding RM10,000.

We have obtained the licences for abstraction of water for our business operations. Please refer to Annexure A for details of the licences issued by the Badan Kawalselia Air Negeri Johor to our Group.

7. BUSINESS OVERVIEW (CONT'D)

(ix) Electricity Supply Act 1990 and Electricity Regulations 1994

The Electricity Supply Act 1990 and the Electricity Regulations 1994 regulate, among others, the electricity supply industry, the supply of electricity and the licensing of any electricity installation.

Subject to any exemptions as may be granted, no person, other than a supply authority shall use, work or permit to be used, worked or operated any installation without having obtained a licence for installation. Such licence can be licence for public installation or licence for private installation.

A person who uses, works or operates, or permits to be used, worked or operated any installation without having a licence commits an offence and shall upon conviction, be liable to a fine not exceeding RM50,000 and to a further fine not exceeding RM1,000 for every day or part of a day during which the offence continues after conviction.

We have obtained the licences for private electrical installation for the supply and use of electricity for the operations of our POMs. Please refer to Annexure A for details of the licences issued by the Energy Commission to our Group.

(x) Water Services Industry Act 2006 and Water Services Industry (Licensing) Regulations 2007

The Water Services Industry Act 2006 regulates the water supply services and sewerage services and matters incidental thereto in Peninsular Malaysia and the Federal Territories of Putrajaya and Labuan.

Subject to any exemptions as may be granted, no person shall own a private water supply system or private sewerage system or any part of the systems or undertake, provide or make available any water supply services or sewerage services or part of the services by means of operating a private water supply system or private sewerage system unless he holds a class licence.

A person who fails to comply with the requirement above shall upon conviction, be liable to a fine not exceeding RM200,000 or to imprisonment for a term not exceeding 2 years or to both.

We have obtained the class licences for the private water supply system and water distribution and water treatment for our business operations. Please refer to Annexure A for details of the licences issued by the National Water Service Commission to our Group.

(xi) Competition Act 2010

The Competition Act 2010 promotes and protects the process of competition of any commercial activity, both within and outside Malaysia which has an effect on competition in Malaysian market to promote economic development as well as to protect the interests of consumers. Any anti-competitive conduct is prohibited.

The Competition Act 2010 prohibits anti-competitive agreements and the abuse of dominant position in the market. No enterprise is allowed to enter into a horizontal or vertical agreement with another enterprise(s) that has the object or effect of significantly preventing, restricting or distorting competition in any market for goods or services. No enterprise is allowed from engaging, whether independently or collectively, in any conduct which amounts to an abuse of dominant position in any market for goods or services.

7. BUSINESS OVERVIEW (CONT'D)

If the Malaysia Competition Commission determines that any enterprise has infringed or is infringing the prohibition above, it shall, among others, require that the infringement to be ceased immediately and may impose a financial penalty not exceeding 10% of the worldwide turnover of the enterprise over the period during which an infringement occurred.

In the course of carrying out our business operations, we are to ensure compliance with the Competition Act 2010. We have not engaged in any prohibited act or conduct which creates anti-competitive effect in the Malaysian market and will ensure continued compliance with the Competition Act 2010.

7.19.3 Non-compliances

(i) CCC for our Group's POMs and other Non-Essential Buildings have not been issued

Insofar as the buildings held by our Group are concerned, the legislations which are relevant to the issue of CF/CCC are as follows:

- (a) Section 70 of the SDBA;
- (b) Local Government Act 1976; and
- (c) Johor Uniform Building By-laws 1986 and Pahang Uniform Building By-laws 1996 (collectively, the "UBBL").

The SDBA provides that any building or any part thereof is required to be issued with a CF or CCC for it to be occupied or permitted to be occupied. It applies to a building erected in a local authority area. Any person who occupies or permits to be occupied any building or any part thereof without a CCC shall be liable, on conviction, to a fine not exceeding RM250,000 or to imprisonment for a term not exceeding 10 years or to both.

Under the Local Government Act 1976, the declaration of an area to be a local authority area, as well as the boundaries of such local authority area are to be determined by the relevant state authority. The SDBA became applicable and the CF/CCC requirements took effect in Johor and Pahang in practice on 1 January 1986, when the UBBL came into force.

In view of the foregoing, a CF/CCC is required to be obtained upon erection/renovation of a building only when (a) the building in question is erected on or after 1 January 1986 and (b) the building falls within the boundaries of a local authority area, whichever is the later to occur.

Our POMs

As at the LPD, all of our POMs do not have a CF or CCC. Based on the dates of the official gazette published by the local authorities, or the dates on which notices of assessment were issued in respect of the respective estate land on which our POMs are erected, whichever is the earlier, all of our POMs were erected prior to them falling within the boundaries of a local authority area. In view of this, the requirement for a CF or CCC to be obtained in respect of our POMs is inapplicable under the foregoing legislations.

Notwithstanding the above, we have in the past encountered issues in obtaining business licences for some of our POMs (namely Sindora POM, Palong Cocoa POM, Sedenak POM and Pasir Panjang POM) from the respective local councils as a CF or CCC forms one of the requisite documents to be submitted to the respective local councils in applying for the business licences for the POMs as governed under the respective by-laws issued by the local authorities. Nonetheless, we have obtained temporary business licences for the above 4 POMs, while our Tereh POM has been issued with a full business licence. Temporary business licences were issued to our 4 POMs due to absence of a CCC. Unless the requirement of a CCC is waived by the respective local councils, a CCC is required to be submitted to the local councils for the issuance of a full business licence.

7. BUSINESS OVERVIEW (CONT'D)

In view that a CF or CCC is required by the relevant local authorities in their process of issuing a business licence and for the purposes of obtaining such CCC, we have:

- (i) appointed Muda Consult Sdn Bhd (“**Muda Consult**”), a registered civil engineering firm, on 28 March 2023 to make the necessary applications to the relevant authorities (i.e. Kulai Municipal Council, Kota Tinggi District Council, Simpang Renggam District Council, Kluang Municipal Council and Segamat Municipal Council) to obtain the approval for planning permission and building plan, as well as for the issuance of CCC for our POMs (comprising various buildings such as CPO and PK production plant, operational office, tissue culture laboratory, biomethane facilities, biogas plants, water treatment plant, boiler house, staff quarters and workers’ quarters); and
- (ii) set up a team to monitor the application progress and follow up with the relevant authorities to expedite the issuance of the planning permission, as well as to oversee the rectification and construction works which may be carried out to comply with any requirements imposed by the relevant authorities, if applicable.

Pending the issuance of the CCC for our POMs, we will continue to operate at these premises. We do not foresee any risks for us to continue operations at these premises as all the POMs have been issued with business licence or temporary business licence (as the case may be) by the respective local councils. Applications to the relevant authorities for the planning permission and building plans for all our 5 POMs had been submitted in January 2024 (for Sedenak POM and Pasir Panjang POM) and March 2024 (for Palong Cocoa POM, Sindora POM and Tereh POM).

We estimate that it would take up to 32 months (i.e. by November 2025) to obtain the CCC for our POMs:

Key event	Timeframe	Tentative timeline
Preliminary assessment <ul style="list-style-type: none"> • Data collection and site visit • Pre-consultation with local councils 	3 months	Completed in June 2023
Preparation process <ul style="list-style-type: none"> • Preparation of the applications for the submission to the relevant local councils for the planning permission • Preparation of the layout plans, building plans and other reports as may be required to be submitted to the relevant authorities⁽¹⁾ to ascertain compliance with the UBBL 	9 months	Completed. Applications submitted progressively by March 2024
Application process <ul style="list-style-type: none"> • Evaluation by the relevant authorities⁽¹⁾ • Identification of the rectification/repair works, if required 	3 months	Approval to be obtained by the end of June 2024
Rectification process <ul style="list-style-type: none"> • Preparation of tender documents and evaluation of tender • Appointment of relevant contractors to carry out rectification/construction works • Carry out rectification/construction works to comply with requirements from relevant authorities⁽¹⁾, as applicable 	13 months	By July 2025
Issuance of CCC	4 months	By November 2025

7. BUSINESS OVERVIEW (CONT'D)**Note:**

- (1) Authorities include, among others, the relevant local councils, Department of Irrigation and Drainage, Minerals and Geoscience Department, Malaysian Public Works Department, Fire and Rescue Department and Department of Environment.

The estimated cost to obtain the CCC for our POMs is RM1.3 million, excluding any cost to be incurred for any rectification or construction work to comply with any condition or requirement that may be imposed by the relevant authorities, which could not be determined at this juncture as such requirement or condition, if any, is typically imposed by the relevant authorities during the processing of the application for the CCC.

Our POMs collectively made up approximately 8.4% of the total audited consolidated NBV of our properties as at 31 December 2023, and accounted for more than 98% of our annual consolidated revenue for the Financial Years Under Review.

Non-Essential Buildings

In addition to our POMs, we have a total of 3,961 buildings on our estate land (owned or rented), out of which 215 buildings, which are subject to the CCC requirement, were erected or renovated subsequent to them falling within the boundaries of local authority areas ("**Non-Essential Buildings**") and do not have a CF or CCC.

These buildings comprise, among others, staff and workers' quarters, storage buildings, mosques and prayer rooms, which are non-revenue generating ancillary/support buildings and did not contribute directly and indirectly to our total revenue for the Financial Years Under Review. As at the LPD, the details of the Non-Essential Buildings are as follows:

Estate	Types of buildings	Number of applications to be submitted
Mutiara Estate	<ul style="list-style-type: none"> • 2 worker quarters • 1 prayer room 	1
Selai Estate	<ul style="list-style-type: none"> • 60 worker quarters • 1 mosque • 1 office 	1
Sungai Tawing Estate	<ul style="list-style-type: none"> • 12 worker quarters 	1
Tereh Utara Estate	<ul style="list-style-type: none"> • 20 worker quarters • 3 staff quarters 	1
Tereh Selatan Estate	<ul style="list-style-type: none"> • 1 office • 1 staff quarters 	1
Sedenak Estate	<ul style="list-style-type: none"> • 2 offices • 7 storage buildings • 1 guard house • 1 pump house • 1 garage 	1
Labis Bahru Estate	<ul style="list-style-type: none"> • 2 storage buildings • 1 garage • 1 office 	1

7. BUSINESS OVERVIEW (CONT'D)

Estate	Types of buildings	Number of applications to be submitted
Sepang Loi Estate	<ul style="list-style-type: none"> • 1 garage • 1 office 	1
Mungka Estate	<ul style="list-style-type: none"> • 16 worker quarters • 2 storage buildings • 1 nursery 	1
Palong Estate	<ul style="list-style-type: none"> • 4 staff quarters • 2 workshops • 1 prayer room • 1 office 	1
REM Estate	<ul style="list-style-type: none"> • 1 office • 1 garage • 1 pump house • 1 worker quarter 	1
Pasir Panjang Estate	<ul style="list-style-type: none"> • 6 worker quarters 	1
Tunjuk Laut Estate	<ul style="list-style-type: none"> • 8 worker quarters 	1
Sindora Estate	<ul style="list-style-type: none"> • 2 storage buildings 	1
Basir Ismail Estate	<ul style="list-style-type: none"> • 26 worker quarters • 3 storage buildings • 1 multipurpose hall • 1 clubhouse • 1 prayer room • 2 staff quarters • 1 office 	2
Bukit Layang Estate	<ul style="list-style-type: none"> • 3 storage buildings • 1 guard post 	1
UMAC Estate	<ul style="list-style-type: none"> • 3 staff quarters • 2 storage buildings • 1 garage • 1 nursery • 1 mosque • 1 office 	1
Total	215 buildings	18

The total NBV of these buildings is approximately RM6.2 million, representing approximately 0.2% of our audited consolidated NA as at 31 December 2023.

In view of the foregoing, our Board is of the view that none of the Non-Essential Buildings, either individually or taken collectively as a whole, are essential to the conduct of our business and non-compliance with the CCC requirement for such Non-Essential Buildings at this juncture would not materially and adversely affect our business and operations.

7. BUSINESS OVERVIEW (CONT'D)

Nevertheless, we intend to apply for CCC for the Non-Essential Buildings after obtaining the CCC for our 5 POMs.

The estimated cost to rectify the non-compliance is approximately RM8.6 million, excluding any additional cost to be incurred for any rectification or construction work to comply with any condition or requirement that may be imposed by the relevant authorities, which cannot be determined at this juncture.

Pursuant to Section 70(27)(f) of the SDBA, we could potentially be liable to a fine not exceeding RM250,000 per building, or imprisonment for a term not exceeding 10 years, or both for each building which has been erected without a CCC. Based on the total number of affected properties which have not been issued with CCC, the potential maximum penalty is approximately RM53.8 million, representing 32.2% of our Group's PAT for the FYE 2023.

Nevertheless, based on our experience in dealings with the relevant authorities as well as advice from our consultant that only 18 applications are required to be submitted for obtaining the CCC in respect of the Non-Essential Buildings, we are of the view that the relevant authorities are unlikely to take enforcement action or impose such penalties. It is also worthwhile noting that:

- (i) a simultaneous enforcement on all the Non-Essential Buildings, resulting in forced closure of all of them at any one time as a result of failure to obtain a valid CCC, is reasonably remote given that the Non-Essential Buildings are scattered throughout approximately 60,000 Ha of our estate lands;
- (ii) it is a fairly common practice that CCC is not generally sought for buildings erected on agriculture lands as they are located outside the urban area;
- (iii) the local authorities in general have not taken a view to enforce the requirement of CCC on the oil palm plantations sector, and have provided written confirmations that they have no objection for us to continue our business operations at the premises provided that we are fully responsible for any claims against the local councils relating to disasters, accidents or losses caused by our Group; and
- (iv) based on industry practice over the years and with the benefit of written clarification obtained from the Malaysian Palm Oil Association and the Malayan Agriculture Producers Association, it is not within the contemplation of the relevant authorities to broadly insist on the issuance of CCC in respect of existing old buildings erected on plantation/agricultural land. It is expected that as and when the local authorities plan to enforce the requirement of CCC for these buildings, consultations and views will be sought from the industry to align with the aspiration and common practices of the plantation industry.

(ii) Fire certificates for our Group's POMs have not been issued

Section 28(1) of the FSA provides that every designated premises (as stipulated in the Fire Services (Designated Premises) (Amendment) Order 2020) shall require a fire certificate.

As at the LPD, save for Palong Cocoa POM, Pasir Panjang POM and Sedenak POM, our remaining 2 POMs do not have fire certificates. In the past, we had obtained fire certificates for our Palong Cocoa POM and Pasir Panjang POM, but were subsequently informed by the relevant authorities in 2020 that a fire certificate was not required for Sindora POM as it was not considered as designated premises as prescribed under the Fire Services Act 1988. On this premise, we also did not apply for fire certificates for Tereh POM and Sedenak POM.

7. BUSINESS OVERVIEW (CONT'D)

When the Fire Services (Designated Premises) (Amendment) Order 2020 came into force in October 2020, we immediately initiated renewal applications for the fire certificates for our Palong Cocoa POM and Pasir Panjang POM, and made the necessary preparation to facilitate fire certificate application for our remaining 3 POMs. In December 2020 and April 2021, we received letters from the Fire and Rescue Department that these POMs are not designated premises under the Fire Services (Designated Premises) (Amendment) Order 2020, and as such, fire certificate is not required. Similar letter was also received for Sindora POM in May 2021. Subsequently in 2022, the Fire and Rescue Department informed us that we are now required to apply for fire certificates for all of our POMs.

A summary of the status of the application for and issuance of the fire certificates for our 2 POMs is as follows:

No.	POM	Time frame	
		Submission of application for fire certificate	Issuance of fire certificate
1.	Palong Cocoa POM	Submitted in February 2023	Issued on 8 June 2023
2.	Pasir Panjang POM	Submitted in May 2023	Issued on 20 November 2023
3.	Sindora POM ⁽¹⁾	Expected to be submitted by the 2 nd quarter of 2024	Expected to be issued by the 3 rd quarter of 2024
4.	Tereh POM	Submitted in December 2023	Expected to be issued by the 2 nd quarter of 2024
5.	Sedenak POM	Submitted in December 2023	Issued on 27 February 2024

Note:

(1) We completed upgrading works at our Sindora POM in November 2023, and the application for fire certificate is expected to be submitted by the 2nd quarter of 2024.

The cost to rectify the non-compliance for our 2 POMs is estimated at approximately RM1.3 million, of which approximately RM1.2 million has been incurred as at the LPD.

In addition, we may be liable to a fine not exceeding RM50,000 (per designated premises) or imprisonment for a term not exceeding 5 years, or to both, pursuant to Section 33 of the FSA, which translates to a total potential maximum financial penalty of RM0.1 million. Collectively, the rectification cost and the potential maximum financial penalty totaling approximately RM1.4 million, represent 0.8% of our consolidated PAT for the FYE 2023.

(iii) Non-transfer of Visitor's Pass (Temporary Employment) ("Pass") of foreign workers

Section 55B(1) of the Immigration Act 1959/63 provides that any person who employs one or more persons, other than a citizen or a holder of an entry permit, who is not in possession of a valid pass shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but no more than RM50,000 or to imprisonment for a term not exceeding 12 months or to both for each such employee.

7. BUSINESS OVERVIEW (CONT'D)

Section 55B(2) of the Immigration Act 1959/63 further provides that a Pass lawfully issued to any person shall cease to be a valid Pass when any of its terms and conditions is contravened. The notes of Form 12 of the Second Schedule of the Immigration Regulations 1963 prescribe that where the Pass has been issued for temporary employment, any changes in the employment for which it is issued must be with the written consent of the Controller of Immigration.

Pursuant to the Pre-Listing Restructuring, which was completed on 30 June 2023, we had acquired all the oil palm plantation operations, businesses and mills (together with the foreign workers), including all assets and liabilities, from Kulim and its group of companies. All foreign workers transferred to our Group by Kulim and its group of companies pursuant to the Pre-Listing Restructuring held valid Passes prior to the completion of the Pre-Listing Restructuring. As at the LPD, we have a total of 3,572 foreign workers, of which:

- (i) 1,376 foreign workers have already been approved by the Ministry of Human Resources to be transferred to our Group and are awaiting the issuance of new Passes under our Group by the Immigration Department of Malaysia. As at the LPD, the Passes of 879 out of the 1,376 foreign workers have expired. We have been informed by the Immigration Department of Malaysia that the renewal application of the expired Passes may only be submitted after the new Passes registered under our Group have been issued;
- (ii) 165 foreign workers are pending the approval by the Ministry of Human Resources to be transferred to our Group, after which, application will be made to the Immigration Department of Malaysia for the issuance of new Passes under our Group which is procedural in nature; and
- (iii) 2,031 foreign workers have been issued with new Passes under our Group by the Immigration Department of Malaysia of which:
 - (a) the Passes of 1,063 out of the 2,031 foreign workers are still subsisting; and
 - (b) the Passes of 968 out of the 2,031 foreign workers have expired. We have been informed by the Immigration Department of Malaysia that the renewal application of the expired Passes may only be submitted after special passes have been obtained from the Immigration Department of Malaysia. We have submitted the application for special passes for all the 968 foreign workers to the Immigration Department of Malaysia.

The issuance of the new Passes for the above 2,509 out of 3,572 foreign workers (excluding the Passes issued to the 1,063 foreign workers which have not expired) under our Group by the Immigration Department of Malaysia is expected to be completed in stages by the 3rd quarter of 2026. Such estimated time frame was arrived at after taking into consideration the current rate of processing of our transfer applications by the Immigration Department of Malaysia.

The 165 foreign workers which are pending the approval by the Ministry of Human Resources to be transferred to our Group are not permitted to work for our Group and they remain under Kulim's workforce until such approval is obtained. In respect of the 1,376 foreign workers which have already been approved by the Ministry of Human Resources to be transferred to our Group and are awaiting the issuance of new Passes under our Group by the Immigration Department of Malaysia, we have obtained verbal clarifications from the Immigration Department of Malaysia that such foreign workers may continue to work pending the issuance of the new Passes by the Immigration Department of Malaysia.

7. BUSINESS OVERVIEW (CONT'D)

In the case of the 968 foreign workers whose Passes have been issued under our Group but expired, the foreign workers may also continue to work as application for special passes have been submitted to the Immigration Department of Malaysia. It is unlikely for the Immigration Department of Malaysia to take enforcement action or impose penalties against our Group for failure to ensure that our foreign workers maintain valid Passes as we have taken the necessary actions to ensure that we obtain valid Passes for the foreign workers and are awaiting the issuance of valid Passes by the Immigration Department of Malaysia under our Group.

We anticipate to obtain the approval of the Ministry of Human Resources for the transfer of the remaining 165 foreign workers to our Group by the 3rd quarter of 2024. The estimated cost for issuance of new Passes under our Group for all the 2,509 foreign workers is approximately RM2.0 million (based on (i) the cost of application of RM200 per foreign worker for the transfer of foreign workers and issuance of Passes under our Group by the Immigration Department of Malaysia; (ii) the cost of application of RM100 per foreign worker for special pass from the Immigration Department of Malaysia; and (iii) the cost of application of RM840 per foreign worker for renewal of expired Passes from the Immigration Department of Malaysia), and is not expected to have a material impact on our financial condition as it represents approximately 1.2% of our audited consolidated PAT for the FYE 2023.

We may be liable to a maximum fine of up to approximately RM125.5 million (based on 2,509 foreign workers which are awaiting approval by the Ministry of Human Resources and pending issuance of new or renewed Passes by the Immigration Department Malaysia under our Group, and with a maximum fine of RM50,000 per worker) or imprisonment for a term not exceeding 5 years, or to both, pursuant to Sections 55B(1) and 55B(3) of the Immigration Act 1959/63.

The maximum fine of up to approximately RM125.5 million, if imposed, may have a material impact on our Group's financial condition as it represents approximately 75.0% of our Group's PAT for the FYE 2023. Notwithstanding this, the likelihood of the penalty being imposed is remote as such non-compliance arose as a consequence of the Pre-Listing Restructuring. Furthermore, application for the transfer of the remaining 165 foreign workers has been submitted to, and is currently being processed by, the Ministry of Human Resources and approval from the said Ministry is expected to be obtained by the 3rd quarter of 2024.

In the event that we fail to obtain the approval from the Ministry of Human Resources for the transfer of the remaining 165 foreign workers to our Group, these workers shall remain under the employment of Kulim. We do not expect to experience any shortage of labour due to the non-issuance of the new Passes or the unsuccessful transfer of the 165 foreign workers as:

- (i) the sourcing of foreign workers has started to normalise since January 2023; and
- (ii) we have implemented several initiatives throughout the year to reduce reliance on manual labour, such as increased mechanisation involving the use of mini tractor, scissor lifts or grabber for collection of FFB, bin system for speedy evacuation of FFB to the POMs, and smart manure spreaders for application of fertilisers in the field.

(iv) Express conditions in respect of land use

Sections 127(1) and 127(1A) of the NLC provide that upon any breach arising of any condition to which any alienated land is for the time being subject, the land shall become liable to forfeiture to the state authority, where the land administrator may make an order for the payment of a fine of not less than RM500, and in the case of a continuing breach, a further fine of not less than RM100 for each day during which the breach continues.

7. BUSINESS OVERVIEW (CONT'D)

Previously, 10 parcels (19.8 Ha) out of 20 parcels (2,108.4 Ha) of land in our Labis Bahru Estate (collectively, the “**Affected Lands**”) were subject to an express condition on the land use. The Affected Lands, which may only be used to plant rubber trees, are being used to plant oil palm.

The application to vary the express condition on the land use for the Affected Lands to oil palm plantation had been approved by the Estate Land Board in May 2023 and the endorsement of the approved express condition on the issue documents of title of the Affected Lands was made in March 2024. Save for the cost incurred to rectify the non-compliance of RM70,376 (comprising land premium and cost of land surveyors) and the financial penalty (in respect of the Affected Lands) of RM11,750, which collectively represented less than 0.1% of our consolidated PAT for the FYE 2023, there were no other impact to our business operations and financial condition arising from the Affected Lands.

(v) Proceedings/actions taken by DOSH against our Company

Section 15(1) of the OSHA provides that it shall be the duty of every employer and every self-employed person to ensure, so far as is practicable, the safety, health and welfare at work of all his employees.

As at the LPD, save for the ongoing legal action initiated by DOSH against us for an accident which took place at our Sedenak POM on 28 May 2020, details of which are set out in Section 14.7 of this Prospectus, there have been no fines and penalties imposed or investigations conducted by any relevant authorities in relation to the said accident. The above legal proceeding initiated by DOSH against us was for breach of Section 15(1) of the OSHA for failing to ensure, as far as is practicable, the safety, health and welfare at work of our employee.

As at the LPD, the proceeding is still ongoing before the Johor Bahru Sessions Court, where the case management was held on 19 February 2024 and the trial dates have been fixed on 22 July 2024 to 25 July 2024. If we are found guilty, we can be fined up to a maximum of RM50,000 or to imprisonment for a term not exceeding 2 years or to both, pursuant to Section 19 of the OSHA. However, as we are a body corporate, pursuant to the provisions of Sections 52 and 56 of the OSHA, we are not subject to any penal penalties such as imprisonment, and are only subject to the imposition of a fine upon conviction.

It should also be noted that none of our directors, manager, secretary or other officers have to-date been charged with any offence in respect of the matter, and hence, they are not subject to any potential fine or term of imprisonment under Section 52 of the OSHA.

The potential financial penalty of RM50,000 represents less than 0.1% of our audited consolidated PAT for the FYE 2023 and is not expected to have a material impact on our financial condition.

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7. BUSINESS OVERVIEW (CONT'D)

In addition to the aforesaid on-going legal proceeding involving the breach of Section 15(1) of the OSHA, DOSH has previously taken the following actions against us:

**Date of accident /
Summons no. /**

Location	Details	Status
22 March 2014 / 63-39-03/2015 / Sedenak POM	A legal proceeding was initiated by DOSH against us for breach of Section 15(1) of the OSHA due to bodily injury to an employee during machine installation work.	The legal proceeding has been resolved. We paid a fine of RM25,000 pursuant to the order of the Johor Bahru Sessions Court on 30 March 2015. We had also been compounded by DOSH for an offence under Regulation 12 of the Factories and Machinery (Safety, Health and Welfare) Regulations 1970 (Revised - 1983) for an amount of RM500, which had been settled on 16 March 2015.
28 March 2014 / 63-40-03/2015 / Sedenak POM	A legal proceeding was initiated by DOSH against our Company for breach of Section 15(1) of the OSHA due to hand injury suffered by an employee during machine maintenance work	The legal proceeding has been resolved. We paid a fine of RM15,000 pursuant to the order of the Johor Bahru Sessions Court on 30 March 2015. We had also been compounded by DOSH for an offence under Section 26(b) of the Factories and Machinery Act 1967 for an amount of RM2,500, which had been settled on 16 March 2015.

Further, the following fatal accidents occurred at our plantation estates and POMs during the past 10 years up to the LPD:

**Date of accident /
Location**

Location	Details	Status
25 August 2020 / Kuala Kabong Estate	Death of an estate worker of our sub-contractor due to head injury sustained from falling from trailer	DOSH had on 26 August 2020 issued a prohibition notice to prohibit the use of the trailer involved in the accident and an improvement notice for investigation and preparation of a report in respect of the accident. Subsequent to the issuance of the notices by DOSH, DOSH had on 26 August 2020 and 1 September 2020 confirmed that it was satisfied that any potential danger had been eliminated and rectified to its satisfaction. As at the LPD, there is no subsequent action or step taken and fine or imprisonment penalty being imposed by DOSH against our Group or our estate due to the accident.

7. BUSINESS OVERVIEW (CONT'D)

Date of accident / Location	Details	Status
22 October 2020 / Palong Estate	Tractor collision involving one of our estate workers	DOSH had on 24 October 2020 issued a prohibition notice to prohibit the use of the trailer tractor involved in the accident. Subsequent to the issuance of the notice by DOSH, DOSH had on 20 April 2021 confirmed that it was satisfied that any potential danger had been eliminated and rectified to its satisfaction. As at the LPD, there is no subsequent action or step taken and fine or imprisonment penalty being imposed by DOSH against our Group or our estate due to the accident.
9 April 2019 / Sindora Estate	Tractor collision involving one of our estate worker	DOSH had on 10 April 2019 issued an improvement notice for investigation and preparation of a report in respect of the accident. Subsequent to the issuance of the notice by DOSH, DOSH had on 16 April 2019 confirmed that it was satisfied that any potential danger had been eliminated and rectified to its satisfaction. As at the LPD, there is no subsequent action or step taken and fine or imprisonment penalty being imposed by DOSH against our Group or our estate due to the accident.
21 June 2017 / Tunjuk Laut Estate	Human-wildlife encounter involving one of our estate worker	There is no action or step taken and fine or imprisonment penalty being imposed by DOSH against our Group or our estate due to the accident.
10 July 2014 / Pasir Logok Estate	Falling from trailer involving one of our estate worker	There is no action or step taken and fine or imprisonment penalty being imposed by DOSH against our Group or our estate due to the accident.
17 April 2014 / Bukit Kelompok Estate	Falling from trailer involving one of our estate worker	There is no action or step taken and fine or imprisonment penalty being imposed by DOSH against our Group or our estate due to the accident.

Save for the ongoing litigation by DOSH against our Company for the accident at our Sedenak POM, none of the other fatal accidents above resulted in legal proceeding initiated by DOSH against us. In the past, the accidents on our plantation estates and POMs did not result in any material adverse impact on our business operations and financial condition.

7. BUSINESS OVERVIEW (CONT'D)

We have implemented additional safety measures to further strengthen our control measures so as to prevent occurrence of similar accident. These measures include, among others:

- (i) regular inspection of the condition of tools and equipment and/or replacement of electrical tools and equipment;
- (ii) providing monthly training to workers on proper wearing of personal protective equipment and proper use of tools and equipment, and briefing to enhance workers' awareness on occupational health and safety issues, including past accidents and preventive measures; and
- (iii) empowering workers to highlight and report unsafe acts and conditions observed at workplace, such as through our grievance reporting platform to their immediate superior, department head or health and safety officer, so as to enable our Group to implement additional precautionary measures

(collectively, the "**Safety Measures**"), in addition to existing control measures in place, including:

- (a) regular safety training programmes for workers at every plantation estate to cultivate safety culture among workers, overseen by dedicated occupational, safety and health officers;
- (b) regular announcements and circulars relating to standard operating procedures on workflow to safeguard employees' health and safety; and
- (c) constant reminders of adherence to workplace procedures and safety measures through workplace safety posters.

Other than the Safety Measures and the existing control measures, the following processes are also carried out to prevent occurrence of similar accidents:

- (i) conducting assessment and preparing report on compliance with requirements under OSHA and FMA every 2 months;
- (ii) undergoing RSPO and MSPO external audit covering safety compliance aspects; and
- (iii) performing validity checks on compliance aspects by our safety officers.

We have formed safety committee at our headquarters and at our respective business units to monitor the health and safety of our employees. These safety officers are responsible in benchmarking our safety and control measures against industry standards, identifying root causes and suggesting preventive measures as well as performing validity checks on our compliance with the relevant rules and regulations relating to occupational health and safety.

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7. BUSINESS OVERVIEW (CONT'D)

A summary of the estimated rectification cost and the potential maximum penalty for all the above non-compliances is as follows:

Non-compliances	Estimated cost to rectify (RM'000)	Potential maximum penalty (RM'000)	Total (RM'000)
CCC for our Group's POMs and other Non-Essential Buildings have not been issued	9,910	53,750	63,660
Fire certificates for our Group's POMs have not been issued	1,333	100	1,433
Non-transfer of Pass of foreign workers	2,044	125,450	127,494
Proceeding/actions taken by the DOSH against JPG	40	50	90
			192,677

Based on the above, the total estimated rectification cost and potential maximum penalty of approximately RM192.7 million exceeds our Group's PAT for the FYE 2023. Out of this amount:

- (i) approximately RM53.8 million relates to the penalty for the non-issuance of CCC for the Non-Essential Buildings. The likelihood of such penalty being imposed is remote as:
 - (a) steps will be taken by us to apply for CCC for the Non-Essential Buildings;
 - (b) a simultaneous enforcement on all the Non-Essential Buildings, resulting in forced closure of all of them at any one time as a result of failure to obtain a valid CCC, is reasonably remote given that the Non-Essential Buildings are scattered throughout approximately 60,000 Ha of our estate lands;
 - (c) it is a fairly common practice that CCC is not generally sought for buildings erected on agriculture lands as they are located outside the urban area;
 - (d) the local authorities in general have not taken a view to enforce the requirement of CCC on the oil palm plantations sector, and have provided written confirmations that they have no objection for us to continue our business operations at the premises provided that we are fully responsible for any claims against the local councils relating to disasters, accidents or losses caused by our Group; and
 - (e) it appears that the existing position is that it is not within the contemplation of the relevant authorities to broadly insist on the issuance of CCC in respect of existing old buildings erected on plantation/agricultural land. It is expected that as and when the local authorities plan to enforce the requirement of CCC for these buildings, consultations and views will be sought from the industry to align with the aspiration and common practices of the plantation industry; and
- (ii) approximately RM125.5 million relates to the penalty for 2,509 foreign workers without valid Passes. The likelihood of such penalty being imposed is remote as such non-compliance arose as a consequence of the Pre-Listing Restructuring. Furthermore, application for the transfer of the remaining 165 foreign workers has been submitted to, and is currently being processed by, the Ministry of Human Resources and approval from the said Ministry is expected to be obtained by the 3rd quarter of 2024.

Save for the potential maximum penalty that may be imposed for the non-issuance of CCC for the Non-Essential Buildings and the foreign workers without valid Passes amounting to approximately RM179.3 million as set out above, the total estimated rectification cost and potential maximum penalty of approximately RM13.4 million is not material as it represented approximately 8.0% of our Group's PAT for the FYE 2023.

7. BUSINESS OVERVIEW (CONT'D)

7.19.4 Compliance matters involving tax authorities

(i) Late registration for service tax by JPG Terrasolutions

The Service Tax Act 2018 requires any person who provides any taxable service to be registered for service tax if the total value of his taxable services has exceeded RM500,000 for the current month and the 11 months immediately preceding that month ("**12-Month Period**").

In February 2020, the Royal Malaysian Customs Department ("**RMCD**") issued the Service Tax Policy No. 8/2020 ("**Service Tax Policy**") which stipulated that effective from 1 January 2020, in respect of the provision of identified taxable services set out in Group G, First Schedule of the Service Tax Regulations 2018, where the value of taxable services provided to third parties is ascertained not to exceed 5% of the total value of the same taxable service provided to any company within the same group of companies (collectively, the "**Group Members**") within the 12-Month Period, no service tax shall be imposed on the services provided to the Group Members ("**Group Relief**").

In anticipation that the value of its taxable services provided to third parties is expected to exceed 5% of the total value of same taxable services provided to the Group Members, and thereby not qualified for the Group Relief, JPG Terrasolutions registered for service tax pursuant to the provisions of the Service Tax Act 2018 in December 2022.

Following inquiries by the RMCD in January 2023 and July 2023, JPG Terrasolutions was informed by the RMCD that it had failed to register for service tax when the Service Tax Act 2018 came into effect in September 2018, on the basis that the aggregate value of taxable services provided by JPG Terrasolutions to customers within and outside Kulim and its group of companies had exceeded the said RM500,000 threshold for the service tax registration. Consequently, there is late registration for service tax by JPG Terrasolutions as it has exceeded the RM500,000 threshold for service tax registration before the Service Tax Policy came into effect.

In view of the assessment of the RMCD, a tax liability amounting to RM137,583.31, being the total service tax payable by JPG Terrasolutions between September 2018 and November 2022 ("**Unpaid Service Tax**") has been imposed on JPG Terrasolutions. On 16 October 2023, JPG Terrasolutions has agreed with the RMCD to pay and settle the Unpaid Service Tax by participating in the Special Voluntary Disclosure Programme 2.0 without any penalty being imposed for late registration and payment for the service tax. The Unpaid Service Tax has been fully settled by JPG Terrasolutions on 18 October 2023.

As a result of the above, we have since taken measures to enhance the awareness of our employees overseeing tax matters of the latest updates on tax regulations and guidelines through training and briefing sessions, as well as seeking advice from tax consultant in order to ensure timely submission of service tax declarations and related payments moving forward. Further, our tax consultant opined that (based on the description of business activities carried out by our Group as represented by us), save for our Company and JPG Terrasolutions which are required and have already registered for service tax, none of the companies within our Group are anticipated to be at risk of non-registration for sales tax and service tax.

The above incident is not expected to have a material adverse impact to our business operations and financial condition as the Unpaid Service Tax is immaterial and represented less than 0.3% of our PBT during the Financial Years Under Review. In addition, save for settlement of the Unpaid Service Tax, no other penalty was imposed on JPG Terrasolutions and no other action was taken by RMCD against JPG Terrasolutions as a result of this incident. The said incident does not give rise to any corporate governance concern as it was a genuine oversight and we had taken proactive steps to engage with the RMCD to resolve the non-payment of service tax.

7. BUSINESS OVERVIEW (CONT'D)

(ii) Tax audit by the Inland Revenue Board of Malaysia (“IRB”)

On 26 October 2023, we received a letter from the IRB requesting for the submission of audited accounts, tax computation and other supporting documents for the FYE 2019 to FYE 2021 to facilitate the review of corporate income tax return forms filed by us. The relevant documents were submitted to the IRB on 29 November 2023.

On 7 December 2023, the IRB informed us that the ongoing tax audit will be extended to the FYE 2022, and we have submitted all the additional relevant documents requested to the IRB on 20 December 2023. The tax audit by the IRB is still ongoing as at the LPD.

7.20 ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Our vision is to be a progressive, efficient and respectable agribusiness company with a strong and sustained commitment to ESG practices. The overarching ESG themes that guide our initiatives are:

- (i) delivering positive environmental impacts;
- (ii) contributing to the community;
- (iii) promoting transparency and accountability; and
- (iv) safeguarding human rights.

7.20.1 Delivering positive environmental impacts

We have adopted an array of practices through which we seek for our business to have a positive impact on the environment and to inspire change and progress towards a lower carbon future.

(i) Renewable energy, waste management and carbon footprint reduction

The most significant contributors to our greenhouse gas footprint are emissions from historical land clearing for planting and methane produced by POME. We seek to mitigate the impact of such actions by setting aside conservation areas that sequester carbon, and using or selling the majority of our milling by-products.

During the Financial Years Under Review, we produced 95,035 MT, 88,919 MT, 91,563 MT and 87,411 MT of PK shell respectively, most of which was used internally for power and steam generation, with 20.7%, 18.4%, 20.4% and 15.7% sold to third parties respectively.

As a biomass distributor, we sell the remainder of our PK shell and EFB to third parties who use them for renewable energy generation. Please refer to Section 7.4.1.2(ii) of this Prospectus for details on our renewable energy processing and Section 7.2.4 of this Prospectus for details on our sustainable plantation practices and renewable energy initiatives.

(ii) Chemicals and pesticides use reduction

We have a two-pronged approach to reducing the use of chemical and pesticides in our business. We utilise an integrated pest management system such as barn owls and beneficial plants to manage pests, and cattle grazing as a natural weeding method that also improves soil fertility, recycles nutrients, and reduces chemical usage when compared to the use of chemical herbicide. We seek to limit our pesticide use where possible, and pesticides that are used are selected and applied in ways that aim to limit possible harm to humans, non-target organisms and the environment.

7. BUSINESS OVERVIEW (CONT'D)

(iii) Water management

We are cognisant that FFB harvesting and CPO production entails heavy water usage, and we have implemented water management practices. We monitor our water use by recording the water consumption of our mills to track our yearly consumption.

We have set a target to reduce our water intensity consumption in our operations to 1.2 m³ per MT of FFB. We have continued to meet our target of remaining below 1.2 m³ per MT of FFB for the Financial Years Under Review.

We harvest rainwater through 27 water catchments for use in our operations and to supply potable water to our workers' quarters on our plantation estates. We use manuring pits to capture and re-channel water runoff from our plantation estates, which reduces soil erosion and recycles surface water runoff.

(iv) Conservation and biodiversity

Our plantation estates are adjacent to forested regions with diverse ecosystems. Our environmental management practices aim to limit environmental impacts of our operations and focus on conserving Malaysia's natural habitats.

Since 2014, we have enforced a strict no-deforestation stance and continue to monitor deforestation activity monthly as part of our supply chain monitoring commitment. The monitoring covers our buffer zone boundary along forest reserve areas. We did not detect any evidence of deforestation within our limits in our December 2021 and December 2022 routine annual tracking. In 2022, we began monitoring our supply base deforestation on the Global Forest Watch, an open-access website that allows us to detect deforestation in our operations and suppliers' operations.

We have made a 'no deforestation' commitment. This commitment means that we will avoid new developments in areas of primary forest classified as high carbon stock and in areas containing one or more high conservation values. We conduct a high carbon stock assessment for each of our proposed new developments to understand the potential impact of proposed forest clearing or conversion activity that we may pursue.

We conducted high conservation value assessments in 2013 and 2017 to take into account biodiversity, conservation, and maintenance by identifying, protecting and maintaining the high conservation value of these areas, protecting cultural heritage and customary land use, and the capacity of the land to sustain the proposed agricultural activities. We conducted both high conservation value and high carbon stock assessments in 2017 and will continue to implement international best practices in the identification and management of high conservation value areas following the RSPO Principles and Criteria 2018.

As at the LPD, we maintain the identified 1,131.1 Ha as high conservation value areas and 276.3 Ha as conservation areas. We follow the RSPO criteria and manage and enhance biodiversity through our high conservation value management and monitoring plans. We have buffer zones at significant water bodies in and around our estates and next to forest reserves. We monitor identified hotspot areas within the vicinity of our operating units and any intruder encroachment into the conservation areas or hotspots. Hunting, fishing, and taking fauna within our estates and adjacent protected areas are strictly prohibited. Our Environmental and Biodiversity Unit collates and analyses ecological and wildlife data and focuses on biodiversity protection and pollution control.

We have conducted the national corridor initiative since 2017 to initiate passages that facilitate the free movement of wildlife thereby contributing to sustained, viable populations. We have annual tree planting events to help fragmented natural wildlife habitats in areas of high population density. We have built a reservoir home to a variety of wildlife, including 2 species of migratory birds in the high conservation value category.

7. BUSINESS OVERVIEW (CONT'D)

We implement conservation and biodiversity management plans alongside our forest clearing and conversion plans in an effort to mitigate the environmental impacts of the clearing or conversion programme and preserve cultural heritage and traditional land uses to the extent possible.

We are committed to protecting peatlands. As at the LPD, only 1,366 Ha out of 55,904 Ha or approximately 2.4% of our total planted area are located on peat.

7.20.2 Contributing to the community

We contribute to our surrounding community and the wellbeing of our employees through our socioeconomic initiatives and engagements with our workforce.

(i) Smallholder inclusion programmes

We actively engage smallholders in Malaysia to help them gain MSPO and RSPO certifications and provide them with advisory and technical support through our smallholder inclusion programme. Many of these smallholders lack the resources or technical expertise necessary to produce FFB sustainably on their own.

Our Sustainability Department conducts annual RSPO awareness programmes that are available for all our smallholders and engages them in relation to RSPO compliance. Such smallholders can also gain a better understanding of how to develop better agricultural practices and efficient palm-growing techniques. The participants benefit from economic incentives arising out of being RSPO compliant such as premium pricing and improvements to their farm yields.

As at the LPD, 3 out of our 29 external crop suppliers have been certified by RSPO. Currently, the majority of the FFB that we obtain from third parties is not RSPO-certified, and our ability to produce certified sustainable palm oil is determined by the amount of RSPO-certified FFB that our plantation estates can produce and the limited amount of RSPO-certified FFB that we are able to purchase from smallholders and other third parties. Against this backdrop, we believe that these sourcing initiatives demonstrate our commitment to bolstering our production of traceable and sustainable palm oil products going forward.

(ii) Corporate social responsibility programme

Our community engagement and investment programmes represent our commitment to providing focused and practical support to local communities in need while instilling an ethos of volunteerism in our employees.

During the COVID-19 pandemic, we converted our training centre into a self-quarantine zone, distributed food baskets and shopping vouchers to our employees, donated masks, disinfectant sprays, sanitisers and other safety and hygiene products and equipment to communities in Johor, donated meals and beverages to frontline workers and made monetary contributions to hospitals and non-governmental organisations.

We are committed to supporting education initiatives that prioritise the well-being and advancement of children and students in our communities. Our focus lies in fostering learning opportunities, especially within the areas where we operate. We incurred approximately RM1.2 million per annum during the Financial Years Under Review on various initiatives under the education pillar of our corporate social responsibility programme.

7. BUSINESS OVERVIEW (CONT'D)

7.20.3 Customer satisfaction through quality and safety

Customer satisfaction and feedback are essential for us to improve the quality of our products and services. We implemented a product quality policy based on standards set by the International Organization for Standardisation, RSPO and the MSPO. Our quality policy covers our processes for certified sustainable palm oil production and palm oil and PK oil extraction, beginning as early as the research and development stage where we focus on cultivating oil palm seeds with better yields. We use a grading system to improve our FFB harvesting outcomes, including FFB ripeness standards grading criteria. Please refer to Section 7.13 of this Prospectus for further details of our quality assurance procedures.

7.20.4 Promoting transparency and accountability

We continuously promote transparency with all stakeholders while establishing a strong compliance culture within our organisation.

(i) ESG governance

Our ESG framework outlines our strategic vision and objectives, and serves as the roadmap to further embed our existing obligations into the core of our operations. Our 4 ESG themes are:

- (a) to deliver positive environmental impacts through leading sustainability practices;
- (b) to contribute to the community through socio-economic initiatives and people engagements;
- (c) to promote a culture of accountability and transparency within the organisation; and
- (d) to safeguard human rights and have zero tolerance on labour exploitation.

The following are our 4 overarching ESG targets:

- (a) to halve greenhouse gas emissions by 2025 with net zero aspirations by 2050;
- (b) to adopt environmental and labour best practices based on international standards;
- (c) to build a stronger community and create positive social impact; and
- (d) to continuously enhance governance and ethics in line with industry best practices.

The foundation of our organisational culture is accountability and transparency within our Group and with our shareholders, customers, suppliers, and other stakeholders.

We are committed to achieve and uphold high standards of corporate governance and ethical conduct in accordance with the principles and practices of corporate governance as set out in the MCCG.

Our Board is committed to high standards of professionalism, honesty, accountability, integrity, and ethical behavior in the conduct of our business and operations. Our Board, including our Board Sustainability Committee, oversees our sustainability initiatives. Our Sustainability and Innovation Department is responsible for implementing, reviewing, and planning sustainability-related initiatives on a day-to-day basis.

We have adopted an Anti-Bribery and Anti-Corruption Policy and Guidelines in compliance with the Malaysian Anti-Corruption Commission Act 2009. We are committed to a zero-tolerance approach to corruption and bribery within our Group as well as any third parties dealing with us. We conduct annual trainings on anti-corruption policy compliance for our employees.

7. BUSINESS OVERVIEW (CONT'D)

We have also put in place the Whistleblowing Policy and Procedures to promote and maintain compliance with the Whistleblower Protection Act 2010. We provide multiple avenues for employees and other internal and external stakeholders to report wrongdoing or improper conduct. Our employees are also able to raise grievances through our Women OnWard Programme.

(ii) Stakeholder engagement and reporting

We maintain an open stakeholder dialogue to effectively identify concerns and react promptly. These stakeholders include our employees, workers, investors and business partners, industry peers, communities, suppliers, customers, regulators, unions, and the media.

(iii) Supply chain management

Understanding the source of our raw materials helps us to identify and address environmental and social risks. The majority of the palm oil products that we produce and sell are highly traceable. For these products, we track each step of the FFB production process, which results in our own FFB processed in our POMs being traceable to our plantations. Our tracing process using the RSPO PalmTrace traceability system allows us to register our physical sales and processing activities of CPO and PK sold to the market. We have been undertaking a traceability information gathering exercise with all our FFB suppliers in relation to supplier plantation traceability since 2021.

We require our suppliers to permit us to conduct site visits during the vendor registration process and implement site registration processes and annual assessments on an as-needed basis. These performance appraisals allow us to measure our suppliers against our own sustainability policy commitments.

We monitor our supply base from time to time for deforestation through Global Forest Watch, a satellite detection programme that allows us to detect deforestation in our operations and suppliers' operations.

Our vendor and contractor onboarding process includes engagement sessions where we brief our new partners on compliance with certifications and company policies, including our anti-bribery management protocols. We require our vendors to agree to our vendor code of business ethics and all vendors are briefed on workers' and human rights compliance annually through our stakeholder meetings. Our contract agreements with our vendors prohibit human rights violation including use of child labour and require them to report any non-compliance issues to our Supply Chain Department. We have the right to terminate their contract in case of non-compliance.

7.20.5 Safeguarding human rights

The safety and wellbeing of our workforce is our top priority. We place great emphasis on safeguarding human rights and maintain zero tolerance on labour exploitation. We expect the same from our suppliers.

(i) Well-being of our workforce

We respect the rights of labour and basic human rights. Our employment practices are guided by the International Labour Organization core conventions and the principles of the Universal Declaration of Human Rights. We conduct annual social impact assessments to assess and improve the welfare and living standards of our employees, contractors and local communities. We believe in the principle of equal pay for equal work. Salaries are based on predefined grades that apply to our entire workforce.

7. BUSINESS OVERVIEW (CONT'D)

We provide our workers on our plantation estates with free housing, subsidised water and electricity facilities for estate houses, insurance coverage and children's day care facilities. We also offer medical assistance, including coverage of treatment costs, transportation, and admission cost for all employees. Every worker is given a copy of their employment contract in their primary language with clear notice period guidelines.

We strictly adhere to international child labour laws throughout our operations and do not sanction the employment of labour below 16 years old. To support this, we relay the importance of education for children among families living at our plantation estates by providing access to schools and other amenities.

In 2021, we partnered with one of our customers and its key customer, as well as a non-profit technical services provider, the Earthworm Foundation, on the following programmes to evaluate and improve labour conditions for our employees:

- (a) labour transformation programme, which is an engagement framework developed by the Earthworm Foundation that uses an employee survey and scoring methodology to assess our current plantation and POM labour practices. As part of the labour transformation programme, we reviewed our employee contracts, wages and working hours, grievance mechanisms, rights to free movement, rights to free association, and health and safety. We also conducted site visits to our workers' accommodation; and
- (b) ethical recruitment programme, which is based on the Earthworm Foundation's Ethical Recruitment Human Rights Due Diligence framework. Through the programme, we evaluated our recruitment practices in our foreign workers' home countries, fees that we pay to locate and hire foreign workers, our labour contracts, and the rights of our foreign workers during their employment in Malaysia.

(ii) Occupational health and safety

The safety and health of our employees is our top priority. We are required to comply with a range of health and safety laws and regulations that are designed to protect our employees. In order to comply with these laws and regulations, we have developed standard operating and maintenance procedures and are required to maintain records and report data on a timely basis. We review our occupational and health and safety standards annually. Our operations are subject to inspections by governmental authorities periodically throughout the year.

We are guided in safety and health matters by our Occupational Safety and Health Policy which applies not only to our employees but also to our visitors, customers, and contractors on our premises. Each of our plantation estate and POM has a dedicated Occupational Safety and Health committee and an Occupational Safety and Health coordinator responsible for organising safety training programmes and conducting quarterly Occupational Safety and Health meetings. The Occupational Safety and Health officer also investigates any accidents that occur and reports back to the chairperson.

To protect the health and well-being of our employees especially in high-risk plantation operations, we train and brief our employees on aspects of safety and health every year. Strict supervision and the continuous improvement of processes are salient in our approach towards maintaining high occupational safety and health standards, which are based on applicable laws, regulations, our Code of Practice, and our Occupational Safety and Health Policy.

We believe that accidents and occupational health hazards can be reduced through systematic analysis and control of risks. We conduct a comprehensive occupational, safety and health risk assessment process where we engage with our workers to hear their concerns. We set internal targets and performance indicators to monitor our effectiveness and continuity in meeting internal benchmarks set for occupational safety and health. We have set key performance indicators to cultivate the safety culture amongst our employees.

7. BUSINESS OVERVIEW (CONT'D)

We evaluate our safety performance by monitoring our lost time accident rate (which measures the number of work-related injuries resulting in time away from work) and severity rate (which measures the number of lost workdays as compared to the total man-hours worked). A lost time accident rate or severity rate which exceeds our internal target would require us to enhance our workplace safety needs and implement additional preventive measures, where necessary. The table below provides our key safety indicators for 2020 to 2023:

	<u>Target</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Lost time accident rate	Less than 10	1.5	1.0	1.4	1.4
Severity rate	Less than 3.5	1.5	2.9	2.4	*5.2
Fatality	0	3	0	0	0

Note:

* Our severity rate increased to 5.2 in 2023 mainly due to the increase in less experienced workers that we hired towards the end of 2022. Their limited work experience had resulted in more severe work-related injuries in 2023 which required them to take longer medical leave. In contrast, the experienced workers that we employed in prior years had less severe work-related incidents in 2023 and therefore required shorter recovery time. To that end, we have implemented preventive measures such as safety training and briefing for these workers, and we expect a reduction in our severity rate going forward as they gain more experience over time.

Please refer to Section 7.19.3(v) of this Prospectus for the further details of the 3 fatal accidents at our plantation estates and POMs during 2020.

(iii) Recruitment of foreign workers

We care for the welfare of our foreign workers in our plantation estates and provide them with equal rights and benefits on par with local Malaysian workers. This includes equal wages, housing, access to free clinics, health benefit plans, and the same Social Security Organisation scheme as local employees.

We invest in our relationships with our foreign workers' home villages and communities through conducting outreach programmes with our foreign workers' family and friends. We provide mobile phone access for them to maintain connections with their family while our workers are away from their loved ones. We seek to maintain contact with our former workers when they return to their home villages for good, and also assist with their transition to life back in their home countries.

We adopt a "zero recruitment cost" approach to hiring our foreign workers. We do not pass on any of our recruiting or hiring costs (including fees paid to recruiting agencies) to our foreign workers, and we do not deduct any such costs or fees from our workers' wages and benefits. We seek to protect the freedom and privacy of our foreign workers. For example, we provide lockers for our workers to safely store their passports and other personal belongings.

(iv) Workforce diversity

We cultivate a diverse and inclusive workplace throughout our operations and management by promoting equal opportunities regardless of age, ethnicity, gender, nationality, minority group, sexual orientation, physical ability, religious and personal beliefs.

We are particularly focused on addressing the gender imbalance that has been prevalent among agribusinesses in the past. As at the LPD, 21.3% of our management and professional-level employees (23 out of 108), and 30.0% of our Board (3 out of 10) are women. There is, however, still potential to increase female representation throughout our Group.

Our Women OnWard Programme seeks to empower our female workforce. A dedicated Women OnWard unit is established in each of our plantation estates and is intended to serve as a safe space for women to voice gender-related concerns.

8. INDUSTRY OVERVIEW

glenauk.com

Date: 23 May 2024

The Board of Directors,
 Johor Plantations Group Berhad
 (formerly known as Johor Plantations Berhad)
 Level 11, Menara KOMTAR
 Johor Bahru City Centre

Johor, Malaysia

Dear Sir or Madam,

Independent Market Research Report on the Oil Palm Industry for Johor Plantations Group Berhad (formerly known as Johor Plantations Berhad) (“JPG”)

We Glenauk Economics Sdn Bhd (“Glenauk Economics”) have prepared this Executive Summary of the Independent Market Report (“IMR Report”) on the Oil Palm Industry for inclusion in JPG’s Prospectus (“Prospectus”) in relation to its initial public offering and listing on the Main Market of Bursa Malaysia Securities Berhad.

We are aware that this Report will be included in the Prospectus and we further confirm that we are aware of our responsibilities under Section 215 of the Capital Markets and Services Act 2007.

We acknowledge that if we are aware of any significant changes affecting the content of this Report between the date hereof and the issue date of the Prospectus, we have an on-going obligation to either cause this Report to be updated for the changes and, where applicable, cause JPG to issue a supplementary prospectus, or withdraw our consent to the inclusion of this Report in the Prospectus.

Glenauk Economics has prepared this report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of this Report. We believe that this Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an “overall industry” perspective which may not necessarily reflect the performance of individual companies in the industry. Glenauk Economics shall not be held responsible for the decisions and/or actions of the readers of this IMR Report. The IMR Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in the IMR Report or otherwise.

For and on behalf of Glenauk Economics:

A handwritten signature in black ink, appearing to read 'Julian McGill', is written over a horizontal line.

Julian McGill
 Managing Director

Dr Julian McGill completed his M.A. in Economics at the University of Edinburgh and his PhD at the University of Oxford. He is an economist focusing on the economics of crops, agricultural commodities and their value chains. A globally recognized authority on the economics of the oil palm, he is regularly quoted in both local and international media and is a sought-after speaker at conferences and management meetings.

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8. INDUSTRY OVERVIEW (CONT'D)

Introduction

Johor Plantations Group Berhad (“JPG”), formerly known as Johor Plantations Berhad, is an upstream Malaysian oil palm plantation company. Its primary business is the growing, harvesting and processing of Fresh Fruit Bunches (FFB) into Crude Palm Oil (CPO) and Palm Kernels (PK).

The main factors determining the profitability of JPG are their CPO yield and the Malaysian CPO price. In addition, JPG is subject to the wider risks and opportunities inherent in the Malaysian palm oil and wider global vegetable oil sector.

To evaluate these market factors, this report is divided into four sections:

1. We **benchmark JPG** and their competitive landscape, market size and share.
2. We address **the outlook for CPO prices**, based on supply and demand.
3. We discuss the **prospects of the Malaysian oil palm plantation industry**.
4. We review the **industry risks and challenges**, with a particular focus on sustainability.

Benchmarking JPG

JPG accounts for a small share of the area under oil palm in Malaysia and Johor. As Table 1 demonstrates JPG accounts for around 1.0% of the planted and mature area under oil palm in Malaysia. In the state of Johor – where 22 out of 23 of its estates are located – it accounts for 8.1% of the area. In Pahang where there is only one estate, JPG share of both planted and mature area is a negligible 0.2%.

Area under oil palm in Malaysia is split between smallholders and estates, with 26.4% of planted area under smallholders in 2023. Smallholders are defined in Malaysia as farmers owning less than 40.46 hectares (100 acres) of land. JPG is an estate operator (though it buys some crop from smallholders). JPG accounts for 1.0% of the total planted area in Malaysia, and 1.3% of the area under estates. In Johor state, JPG accounts for 13.6% of the area under estates.

Table 2 examines JPG’s share of output in 2023. We distinguish between FFB output (which is the production of FFB on JPG’s estates), the processing of FFB (which includes crop purchased from other entities, such as smallholders) and the share of CPO (which is produced from milling the FFB). In all three cases we can see that JPG accounts for 1.4-1.6% of Malaysian output and only around 9-12% of production in the state of Johor.

Based on the above JPG accounts for a small share of the market. JPG is a price taker with a large potential market into which it can sell its products.

Table 1: JPG’s share of planted, mature and estate area, 2022/23

State	Share	Planted Area (ha)	Mature Area (ha)	Area under estates (ha)
Malaysia	JPG	55,904	52,098	55,904
	Total	5,652,569	5,130,172	4,156,043
	%	1.0%	1.0%	1.3%
Johor	JPG	54,348	50,571	54,348
	Total	670,862	624,369	400,716
	%	8.1%	8.1%	13.6%
Pahang	JPG	1,556	1,527	1,556
	Total	746,070	681,200	482,723
	%	0.2%	0.2%	0.3%

Source: Malaysian Palm Oil Board (MPOB) Johor and Pahang Estate area 2022, rest 2023. JPG’s data is for 13 May 2024. Estate area excludes smallholders.



8. INDUSTRY OVERVIEW (CONT'D)

Table 2: JPG's share of FFB and CPO output, 2023

State	FFB Output (tonnes)	FFB Processed (tonnes)	CPO Output (tonnes)
Malaysia	81,005,416	94,952,547	18,551,950
Johor	10,870,264	14,901,292	2,858,351
JPG	1,304,153	1,361,753	270,900
Share of Malaysia	1.6%	1.4%	1.5%
Share of Johor	12.0%	9.1%	9.5%

Source: JPG and Malaysian Palm Oil Board (MPOB)

While JPG accounts for a small share of area and output, from an agronomic point of view the estates are close to the ideal size. Once plantations expand above 60,000 hectares there are significant diseconomies of scale and additional layers of management required. Tables 3 benchmarks JPG's performance against its Malaysian peers. We have compared JPG with two similar sized medium plantation companies (United Plantations Berhad and Boustead Plantations Berhad) as well as the largest Government linked plantation companies (Sime Darby Plantation Berhad and FGV Holdings Berhad). We find that JPG has:

- The second highest Fresh Fruit Bunch (FFB) yield after United Plantations Berhad, who are regarded as the world's best managed plantation with excellent conditions for oil palm.
- The second highest Crude Palm Oil (CPO) yields after United Plantations Berhad, which is the most important single indicator of performance for a plantation company.

Table 3: Benchmarking JPG against its peers

Company	Year	Mature Area (ha)	FFB Yield (t/ha)	OER (%)	CPO Yield (t/ha)	Revenue '000 RM/ha	Profit '000 RM/ha
JPG	2021	51,510	20	20.8%	4.2	30.1	6.7
	2022	50,294	22	20.3%	4.5	33.5	9.5
	2023	52,125	20	19.9%	4.0	24.0	3.2
United Plantations Berhad (Malaysia)	2021	33,787	29	21.8%	6.3	32.3	12.5
	2022	34,828	28	21.4%	6.1	35.5	13.0
	2023	34,689	29	21.8%	6.3	31.0	16.7
Boustead Plantations Berhad	2021	67,969	13	21.2%	2.8	15.4	3.6
	2022	65,594	13	20.6%	2.7	17.9	9.0
	2023	N/A	N/A	N/A	N/A	N/A	N/A
Sime Darby Plantation Berhad (Malaysia)	2021	256,831	19	21.0%	3.9	17.4	1.8
	2022	253,129	14	20.0%	2.8	17.8	1.3
	2023	256,381	17	20.4%	3.4	16.4	3.0
FGV Holdings Berhad (Malaysia)	2021	279,655	14	20.6%	3.0	29.8	5.7
	2022	282,807	15	20.4%	3.0	42.8	7.5
	2023	270,486	14	20.7%	2.8	40.0	0.7
Johor State Average	2021	652,568	18	19.8%	3.5	N/A	N/A
	2022	631,478	18	19.6%	3.5	N/A	N/A
	2023	624,369	17	19.2%	3.3	N/A	N/A

Source: JPG, Malaysian Palm Oil Board (MPOB), Annual Reports and Investor Presentations. Where possible we have shown only Malaysian production. FGV Holdings Berhad revenue includes significant volumes of external FFB. As Boustead Plantations Berhad was delisted in January 2024, data is only until 2022.

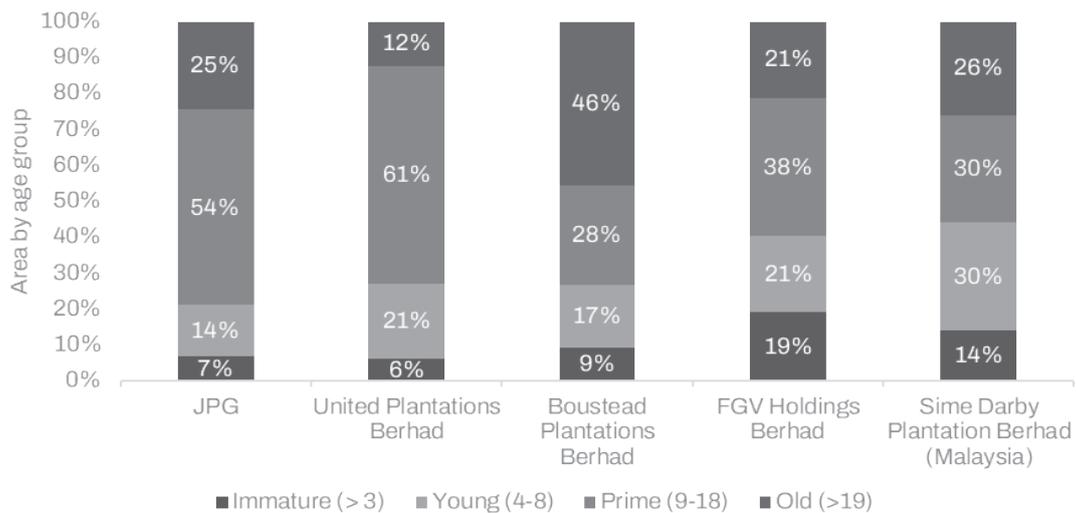


8. INDUSTRY OVERVIEW (CONT'D)

JPG performs well in terms of revenue per hectare and profitability per hectare. From 2021 to 2023 profitability per hectare was second only to United Plantations Berhad. Profitability is closely linked to yields. What determines the relatively strong performance of JPG in terms of yields?

- The output from oil palm trees depends in part on their **age profile**. As oil palm trees become taller harvesting become increasingly difficult and yields decline. Best practice in plantation companies is to begin replanting trees after 20-25 years. However, the high capital outlay and absence of revenue during the three-year period of immaturity, while waiting for the young oil palm trees to come into production, means companies often fail to replant. Diagram 1 shows that JPG has a favourable age profile suggesting good discipline in terms of replanting. Once again, only United Plantations Berhad has a higher share of mature area in prime condition.
- To achieve high yields in oil palm operations requires **disciplined management**. This includes ensuring that only high-quality materials are planted, that access to the estates and trees is unimpeded, that the trees receive their required nutrients, that ground cover is well maintained, that excess fronds are pruned and pest and diseases are monitored and kept under control. FFB harvested from the trees need to be processed within 24 hours requiring consistent harvesting rounds, well maintained roads and co-ordination between the mill and field. The natural seasonal variability in output and potential for heavy rainfall in the tropics adds to the challenges of ensuring prompt milling. Only if all tasks are performed consistently can a plantation hope to obtain high yields from its land, requiring that plantation managers combine agronomic, logistical and engineering excellence all while dealing with potential disruption from the weather.
- Another central element of a successful plantation company is the **management of workers**. Oil palm estates in aggregate require large numbers of workers almost all of which in Malaysia are migrant workers. While most tasks on the plantation are low skilled, bunch cutting is a highly skilled task. Having sufficient workers for bunch cutting is critically important to ensure that the FFB are harvested from the oil palm trees. JPG has managed to develop long term relationship with workers from Java and Lombok who chose to return to work at JPG. Being able to attract and retain these workers, is crucially important for plantations today.
- JPG also benefits from their own **in-house seed production**. This ensures both that the quality of seedlings is high and that the trees are adapted to the same climatic and soil conditions as the progeny of palms which have thrived in the same conditions. (It also generates additional revenue through the sale of germinated seeds).

Diagram 1: Area by age profile for JPG and its peers



Source: Company Annual Reports and Investor Presentations. Note for Boustead Plantations Berhad's data is for 2022, prior to delisting in January 2024. Boustead Plantations defines Young as 4-9 years and prime as 10-20. For FGV Holdings Berhad, prime is defined as 9-20 years. Data for JPG is for 13 May 2024.

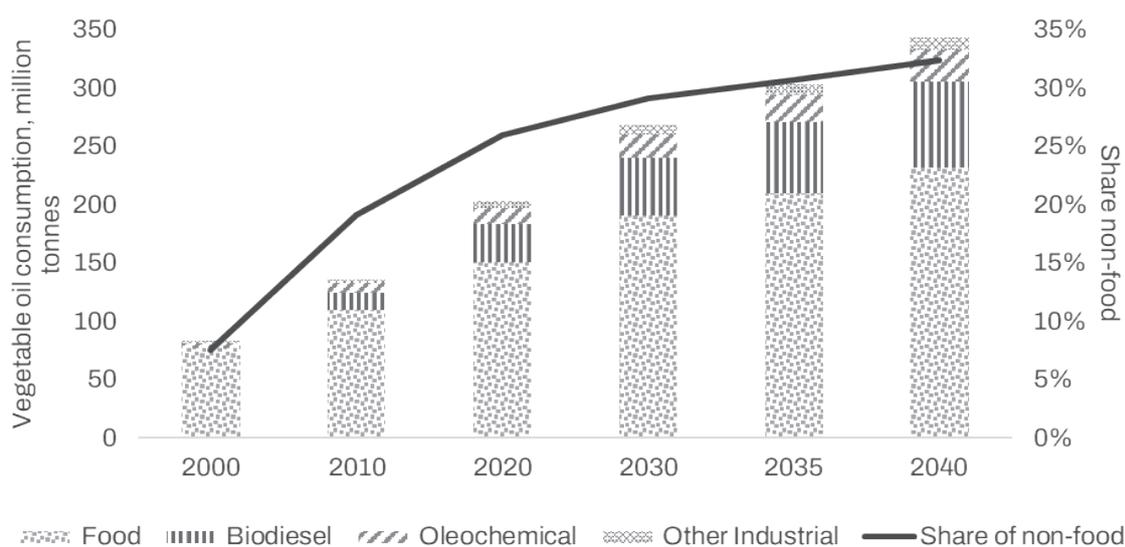


8. INDUSTRY OVERVIEW (CONT'D)

The Outlook for Crude Palm Oil (CPO) price

To understand the outlook for the CPO price we need to place the oil palm into the wider supply and demand balance for vegetable oils. This is due to the fact, that there is substantial substitution between different vegetable oils based on price. As a result, palm oil is always competing for market share with the other major oil crops (soybean, rapeseed and sunflower).

Diagram 2: Global vegetable oil consumption by main end use, 2000 to 2040



Source: Glenauk Economics

Table 4: Global vegetable oil consumption by end use 2000 to 2040, million tonnes

End Use	2000	2010	2020	2030	2035	2040	CAGR 2000-2020	CAGR 2020-2030	CAGR 2030-2040
Food	77	110	151	191	210	232	3.4%	2.3%	2.0%
Biodiesel	0	15	32	50	60	73	33.4%	4.5%	4.0%
Oleochemical	4	8	14	20	24	27	6.2%	3.8%	3.0%
Other Industrial	2	3	7	9	10	10	6.5%	2.1%	2.0%
SUM	83	136	204	269	304	344	4.6%	2.8%	2.5%

Source: Glenauk Economics

Demand for vegetable oils

We separate demand into four different main end-uses:

1. In all cultures and countries, **food use** of vegetable oils increases with higher incomes. In part this is due to an almost universal preference for frying foods which enhances flavour and texture. Increased urbanization also results in greater consumption of processed food, as well as food from restaurants, both of which use more vegetable oil.
2. **Biodiesel use** refers to the use of vegetable oils in transport fuel predominantly in the form of Fatty Acid Methyl Ester (FAME) or Renewable Diesel (RD) blended with diesel. This demand is supported by government mandates in the European Union and the United States as well as in South East Asia and Latin America. While electrification of vehicles and reduced diesel consumption will temper the use of biodiesel in road transport, ambitious targets for Sustainable Aviation Fuel (SAF) will increase demand out to 2040. While the focus is on low carbon feedstocks, such as waste, the limited supply of waste will mean increased use of vegetable oils to meet the targets. This is particularly noticeable in the US where soybean oil is expected to be



8. INDUSTRY OVERVIEW (CONT'D)

diverted in large quantities to Renewable Diesel (RD) and Sustainable Aviation Fuel (SAF) production.

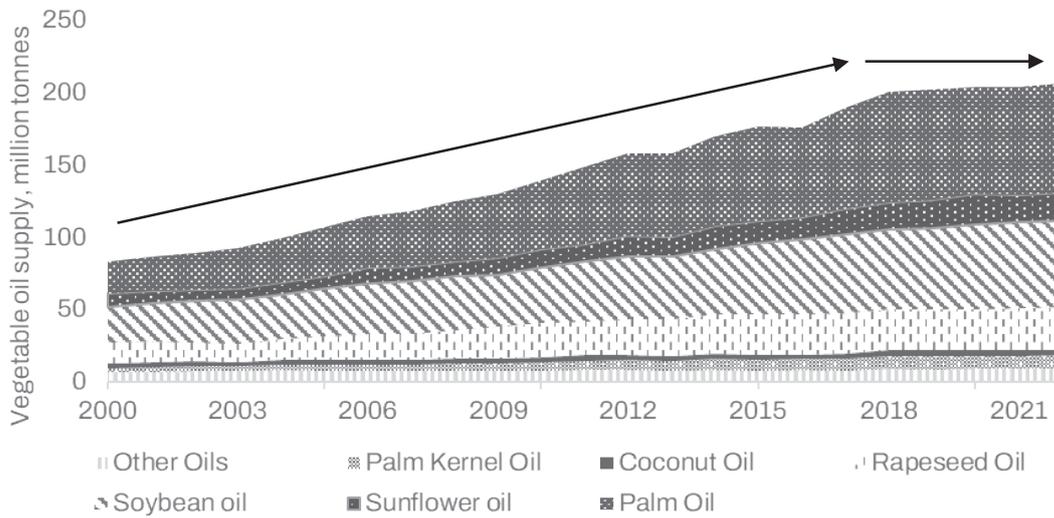
3. **Oleochemical demand** grows with GDP per capita, alongside consumer's willingness to spend more on home and personal care products.
4. **Other industrial uses**, are predominantly feed for which vegetable oils are a cost effective source of calories. As meat consumption increases, the livestock industry requires more oil.

Supply of vegetable oils

Historically the substantial growth in demand for vegetable oils was met by increased volumes of palm oil, principally from Indonesia. Diagram 3, demonstrates, however, that since 2019 vegetable oil supplies have stagnated as palm oil output has stopped growing.

The reason for this is a slow-down in planting in Indonesia, shown in Table 6. Sustainability pressures and difficulties finding appropriate land have made planting oil palm increasingly difficult. The slowdown in area growth has been coupled with stagnant to declining yields causing output to plateau.

Diagram 3: Global vegetable oil supply by main crop, 2000 to 2023



Source: Glenauk Economics

Table 5: Forecast of global vegetable oil supply by main crop to 2040, million tonnes

Crop	2000	2010	2020	2030	2035	2040	CAGR	CAGR	CAGR
							2000-2020	2020-2030	2030-2040
Palm Oil	22	47	74	84	90	96	6.3%	1.2%	1.4%
Soybean oil	25	39	59	83	103	129	4.4%	3.5%	4.6%
Sunflower oil	9	12	21	27	30	33	4.2%	2.6%	2.0%
Rapeseed Oil	15	23	28	36	41	46	3.4%	2.5%	2.4%
Palm Kernel Oil	3	6	9	10	11	12	6.0%	1.2%	1.4%
Coconut Oil	3	3	4	4	4	4	0.5%	0.7%	0.5%
Other Oils	7	8	9	10	10	11	1.6%	0.4%	1.1%
SUM	83	139	204	254	290	332	4.6%	2.2%	2.7%

Source: Glenauk Economics



8. INDUSTRY OVERVIEW (CONT'D)

The slowdown in expansion of palm oil production, means that growth will have to come from other oil crops. Though both sunflowerseed and rapeseed have seen strong yield growth, this is now slowing and there is limited scope for area expansion due to agronomic constraints. Both sunflowerseed and rapeseed are pressing against their limits in terms of suitable land as well restrictions as to the frequency with which they can be included in the crop rotation. (Planting either crop too frequently, without a break crop, results in disease outbreaks). The growth in vegetable oil output therefore will rely on soybean oil. In order to encourage the further expansion of area under soybean in Brazil, however, will require higher vegetable oil prices to compensate Brazilian farmers for the high cost of transportation and oversupply of soybean meal as a co-product.

Supply and demand of palm oil

Table 6 demonstrates that after a period of very rapid growth from 2010 to 2020, palm oil production is forecast to slow.

- The main slowdown will be in **Indonesia** where limits to area expansion have meant much slower output growth.
- **Malaysia**, the second-largest producer, will see no growth up to 2030 as it continues to deal with labour shortages, underinvestment in maintenance, over-age trees and the spread of Ganoderma.
- Other countries are seeing faster growth in palm oil production, albeit from a low base. **Thailand** will continue to see replanting of rubber to oil palm, helping lift its production, more of which will be exported. It is likely that oil palm area will also expand in the **southern Philippines** which is climatically similar to Southern Thailand.
- **Latin America** – notably Colombia as well as Brazil – will continue to expand production but have limited area available and very high labour costs which prevents the industry from growing very quickly.

As replanting accelerates over the next 5 years that will mean that output growth improves slightly from 2030 to 2040, though growth will remain far below historical levels.

Table 6: Forecast of global palm oil supply by main producer to 2040, million tonnes

Country	2010	2020	2030	2035	2040	CAGR 2010- 2020	CAGR 2020- 2030	CAGR 2030- 2040
Indonesia	24	44	50	53	56	6.2%	1.3%	1.2%
Malaysia	17	19	19	20	22	1.2%	0.0%	1.3%
Thailand	1	3	4	5	5	7.5%	4.7%	2.7%
Colombia	1	2	2	2	3	7.5%	3.4%	2.0%
Rest of World	4	7	9	9	10	4.7%	2.3%	2.0%
SUM	47	74	84	90	96	4.6%	1.2%	1.4%

Source: Glenauk Economics. Global supply of CPO in 2023 for Indonesia (59.5%), Malaysia (24.1%), Thailand (4.5%), Colombia (2.4%) and rest of world (9.5%).

Table 7: Forecast of global palm oil demand by end-use to 2040, million tonnes

End Use	2010	2020	2030	2035	2040	CAGR 2000- 2020	CAGR 2020- 2030	CAGR 2030- 2040
Food	41	55	60	63	66	2.9%	0.8%	1.0%
Biodiesel	3	12	16	17	17	16.5%	2.8%	0.6%
Oleochemical	3	6	9	10	12	8.0%	3.5%	3.2%
Other Industrial	1	1	1	1	1	0.0%	0.7%	1.0%
SUM	47	74	85	90	95	4.6%	1.4%	1.2%

Source: Glenauk Economics



8. INDUSTRY OVERVIEW (CONT'D)

While supply growth slows, demand for palm oil will continue to grow:

- In **food use**, despite some consumers concerns, palm oil is difficult to substitute in part due to its higher oxidative stability in frying but mainly as its balance of saturated and unsaturated fats means it can be used as a hard stock in margarine and shortenings, without hydrogenation.
- While the use of palm oil in **biodiesel** in the EU is being phased out by 2030, growth in the volume of biodiesel used in Indonesia means biodiesel demand for palm oil continues to grow. The Indonesian government's mandate, requiring a certain blend of palm biodiesel in diesel, has been critically important in controlling the volume of palm oil stocks. If South East Asian countries adopt Sustainable Aviation Fuel (SAF) mandates they will be based on palm oil.
- At the same time, with increased use of tallow as biodiesel feedstocks in the US, the use of **palm oil in oleochemicals** is forecast to expand as palm oil/stearin become a larger share of fatty acid production.

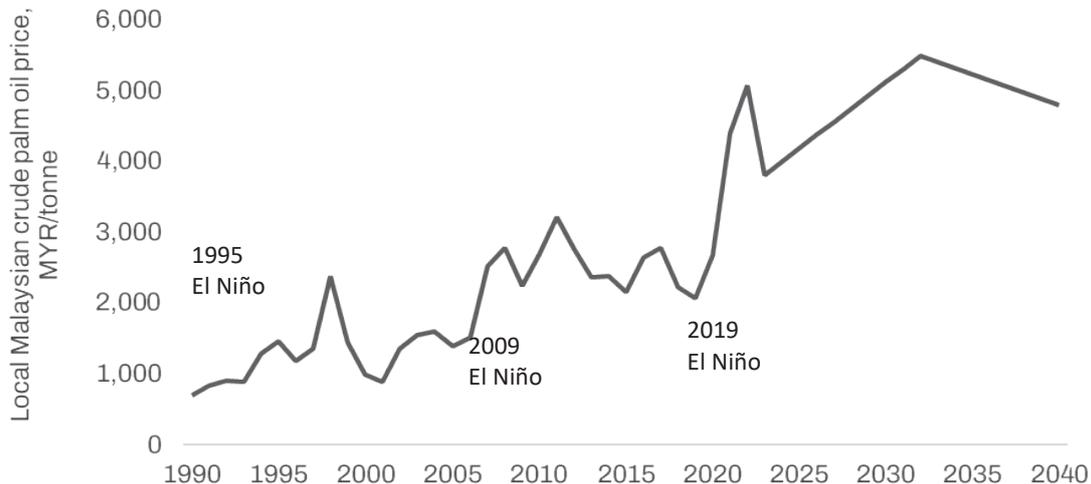
Overall, therefore demand for palm oil will grow at a faster rate than supply, which is being held back by an inability to expand area under oil palm, until 2032. From 2032 onwards the growth in supply will be slightly faster than demand as higher soybean oil supplies remove some of the pressure from palm oil and replanting helps to increase production. Nonetheless stocks will remain tight.

Price outlook

As with all agricultural commodities, the weather is the main determinant of annual fluctuations in the crude palm oil price. There have been three major price rallies since 1990 caused by strong El Niño weather events in 1995, 2009 and 2019. An El Niño usually causes droughts in South East Asia. As the oil palm requires consistent and high rainfall, this reduces palm oil production with a lag.

Prices reached an all time high in 2022, averaging over RM5,000 per tonne in Malaysia. Since 2022 prices have come down, though they remain at much higher than historical levels. Our supply and demand calculations suggest that there is a fundamental shortage of palm oil, therefore we expect average prices to rise in 2024 to just above RM4,000 per tonne. 2025 will see average prices increase to RM4,238 per tonne and they will continue to increase until 2032 when a combination of higher output from replanting, slowing biodiesel demand and more supply of soybean oil will relieve some of the pressure on CPO prices allowing them to decline, though remaining at historically very high levels. Tables 6 and 7 demonstrate that the supply and demand will be balanced by 2035.

Diagram 4: Malaysian CPO price and forecast



Source: Historical data from MPOB, forecasts from Glenauk Economics

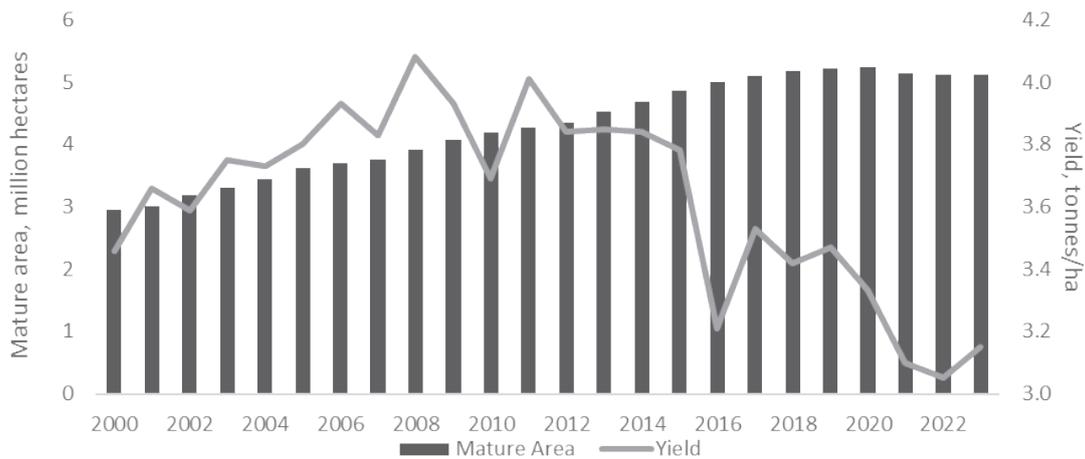


8. INDUSTRY OVERVIEW (CONT'D)

Prospects of the Malaysian Palm Oil Sector

From 1975 to 2019 the planted area under oil palm in Malaysia increased almost ten fold, from 0.6 million hectares to a peak of 5.9 million hectares, as oil palm area expanded and replaced rubber. Production of palm oil increased from 1.2 million tonnes to a peak of 19.9 million tonnes, reaching this level in both 2017 and 2019. This expansion was initially focused on Peninsular Malaysia (which still accounts for 45% of planted area) but from the 1990s onwards Sabah and later Sarawak began to grow more quickly.

Diagram 5: Mature area under oil palm and yield in Malaysia



Source: Malaysian Palm Oil Board (MPOB) annual reports

Since 2019, as Diagram 5 demonstrates, the mature area in Malaysia has been declining alongside a pronounced decline in yields. The decline in mature area has been driven by oil palm areas being converted into urban uses as well as difficulties in replanting certain areas due to environmental restrictions.

The decline in yields is the combination of a number of factors:

- The **poor age profile** of many Malaysian estates who have not replanted sufficiently. As a result, many trees are over-age and finding harvesters is becoming very difficult.
- The **spread of Ganoderma** (a fungal root infection) which reduces yields and eventually kills the trees. (Fewer trees per hectare reduces yields).
- The discovery that large numbers of **seedlings were contaminated** with lower yielding dura material.
- **Widespread labour shortages** exacerbated by the COVID-19 pandemic which made recruiting workers extremely difficult. As a result in many estates field upkeep has been neglected (most notably the pruning of palms).

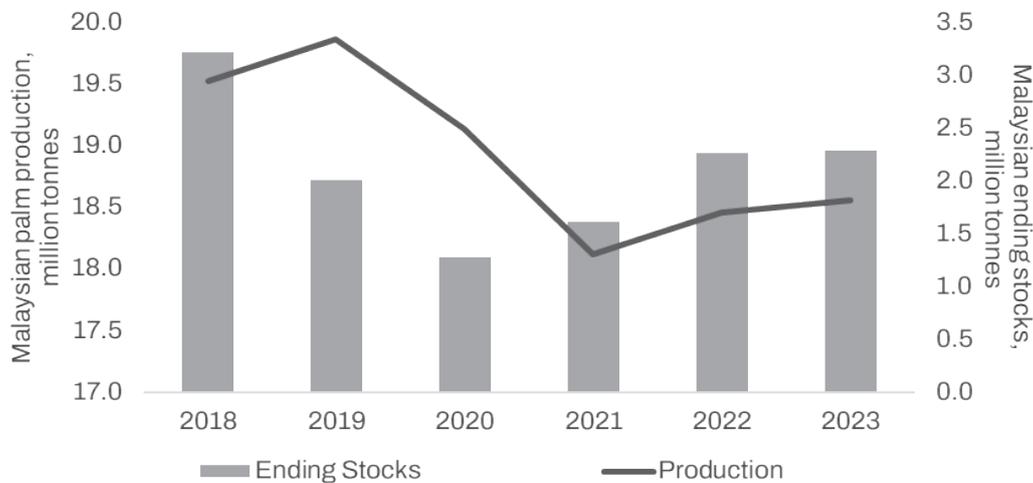
The major concern for plantation companies today is to find sufficient workers to rehabilitate areas that have been neglected while ensuring that they have the skilled workers necessary to work as harvesters. Companies are also looking at mechanisation, in part to reduce their reliance on manual labour but also to attempt to improve the productivity of their workers and attractiveness of the job.

Plantation companies have also tried to attract Malaysians to work on the estates, which has proven extremely difficult due to the widespread perception that the work is dirty, dangerous and degrading.



8. INDUSTRY OVERVIEW (CONT'D)

Diagram 6: Malaysian production of palm oil and ending stocks



Source: Malaysian Palm Oil Board (MPOB)

The decline in Malaysian output has helped reduce stocks, as measured by the Malaysian Palm Oil Board (MPOB) and shown in Diagram 6. As Indonesia is today the much larger producer, however, Malaysian stocks are also determined by competition from Indonesia on the export market as well as imports of palm oil into Malaysia from Indonesia.

The competition with Indonesia explains why, despite the relatively modest increase in production, in 2022 Malaysian stocks rose more substantially. 2022 saw the Indonesian government ban exports in an attempt to control the local cooking oil price. This resulted in a large build up of stocks inside Indonesia and a sharp decline in the local crude palm oil price. Following protest from farmers, exports were once again allowed (though they continued to be regulated under a system of export permits). As these exports flooded onto the market Indonesia claimed large amounts of market share from Malaysia, reducing Malaysian exports and pushing up stocks towards the end of the year.

Nonetheless, stocks in 2023 remained at a relatively low level of 2.29 million tonnes, demonstrating the general shortage of palm oil due to the slowdown in production.

Industry risks and challenges

As we have seen the main factors determining the profitability of an oil palm plantation are the CPO price and their yield. While the plantation company has no control over the CPO price, their actions influence the CPO yield, albeit with annual fluctuations caused by changes in the climate, over which they do not have control.

Operational risks

The main threats to plantation companies, in terms of maintaining their yields, are the potential for disease outbreaks, inclement weather leading to flooding and an insufficient and/or poorly trained workforce neglecting their duties. The skill of a planter has always been in managing these risks by ensuring that they can minimize the impact of any disruptions on production, by preparing for all eventualities with a well-trained and highly disciplined workforce committed to a culture of excellence.



8. INDUSTRY OVERVIEW (CONT'D)

Sustainability risks

More recently, the oil palm industry has become the focus of sustainability issues. The specific issues have varied, from environmental concern over deforestation to concern over the treatment of potentially vulnerable migrant workers. In all cases, however, the need to demonstrate the sustainability of plantations has become a major component of the risk management for plantation companies. Leading oil palm plantation companies are aware of the reputational risk for themselves as well as the counterparty risk for their buyers, processors, consumer goods producers and investors.

In response to these risks, a number of policies, processes and procedures have been developed to ensure plantation companies demonstrate a credible commitment to acting in a transparent and ethical manner. One such process has been the development of certification and traceability to demonstrate that plantation companies have not contributed to deforestation. JPG is certified under the Roundtable for Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO) and International Sustainability & Carbon Certification (ISCC)

The RSPO is a voluntary scheme. Globally in 2022 only 20.5% of CPO produced was RSPO certified, which places JPG among a small group of very environmentally conscious suppliers. Today all of JPG mills are RSPO certified as is all of their estate area. Four out of five mills use the highest identity preserved (IP) chain of custody system which means that they can fully trace all of their FFB back to the field. The remaining mill uses the RSPO Mass Balance (MB) certification system, in order to be able to continue to accept smallholder crop.

Due to the relatively high cost and complicated nature of certification, smallholders usually are unable to become certified without assistance from plantation companies. JPG is working on ensuring that more of its smallholder suppliers become RSPO certified as part of its Smallholder Inclusion Program. As part of this program smallholders will be provided with pecuniary incentives to sell RSPO certified FFB. Finally, to ensure that there is no deforestation in the JPG's supply chain, it also subscribes to a satellite monitoring process (Global Forest Watch).

JPG provides this external evidence to buyers so that they can be reassured no palm oil from deforestation will enter their supply chain. This also places JPG in a better position to comply with the EU's Deforestation Regulation (EUDR), the exact details of which are not yet clear, but which will require that all production be traced back to the location of production and assurances that there has been no deforestation since 2020.

Focus on oil quality and reducing contaminants

3-Monochloropropane-1,2-diol (3-MCPD) content in palm is limited at 2.5 ppm in the EU. JPG introduced CPO washing to comply. A small number of high-quality buyers are also seeking to reduce mineral oil in palm oil. The European Food Safety Authority (EFSA) believe Mineral Oil Aromatic Hydrocarbons (MOAH) may cause cancer and have agreed in principle to limit MOAH content. JPG have introduced biobased lubricants to reduce the MOAH content.

Focus on carbon emissions

Increasingly, companies are committed to reporting and reducing their carbon emissions. For many producers involved in processing or buying agricultural commodities, they represent a large share of their scope 3 emissions. Increasingly therefore the focus is on finding suppliers who can demonstrate low carbon emissions.

The main source of carbon emissions on plantations is from the methane released from the mill effluent. JPG has already installed biogas facilities on all five of their mills thus capturing these emissions. (The recent fire in the biomethane plant at one of the mills will cause some additional methane to be released into the atmosphere temporarily). As a result, the carbon emissions from JPG are low at around 0.93 tonnes of carbon per tonne of CPO according to their 2022 RSPO submission (prior to the fire). This compared favourably with the average GHG emissions declared by RSPO members which are around 1.6 tonnes of carbon per tonne of CPO in 2022 (based on RSPO Impact Update 2023). In addition, RSPO members have lower GHG emissions compared with non-members.



9. RISK FACTORS

BEFORE INVESTING IN OUR SHARES, YOU SHOULD PAY PARTICULAR ATTENTION TO THE FACT THAT WE, AND TO A LARGE EXTENT, OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS, ARE SUBJECT TO THE LEGAL, REGULATORY AND BUSINESS ENVIRONMENTS IN MALAYSIA. OUR OPERATIONS ARE ALSO SUBJECT TO A NUMBER OF FACTORS, MANY OF WHICH ARE OUTSIDE OUR CONTROL. YOU SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THIS PROSPECTUS, INCLUDING THE RISKS AND INVESTMENT CONSIDERATIONS SET OUT BELOW, BEFORE DECIDING TO INVEST IN OUR SHARES.

9.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

9.1.1 Our performance may be affected by variations in the yield levels of oil palm

The yield for oil palm plantations is generally dependent on factors such as age profile of the oil palms, planting materials, diseases or crop pests and weather conditions that affect the oil palm, terrain, and soil characteristics of the area in which our plantations are located, as well as the availability of labour and the social structure of the local community surrounding our estates.

In each of the Financial Years Under Review, our average FFB yield per Ha was higher than the average industry yield. For the Financial Years Under Review, our average FFB yield per Ha was 22.9 MT per Ha, 20.1 MT per Ha, 22.1 MT per Ha and 20.3 MT per Ha respectively, while the national MPOB benchmark average was 16.7 MT per Ha, 15.5 MT per Ha, 15.5 MT per Ha and 15.8 MT per Ha respectively. However, there can be no assurance that our future performance will be consistent with our past operating results.

Generally, it takes approximately 3 years for oil palms to produce fruits suitable for harvest. A typical matured oil palm will remain productive for up to 25 years, after which its FFB production is significantly reduced, and we will then undertake our replanting programme. Although we seek to minimise the effect of replanting and/or new planting on our FFB production in any given year, there is no assurance that our revenue and margin will not be affected during the replanting periods, especially with regard to the 3-year period from the commencement of the replanting programme. Moreover, given that our replanting programme is a long-term process, it cannot mitigate or offset external factors such as adverse weather or accidents that can impact our yield levels in the near term.

Mature young oil palms between the ages of 4 to 8 years produce lower FFB yields compared to prime young oil palms between the ages of 9 to 18 years. After the oil palms have passed their prime age, the FFB yield is expected to decrease, and such decrease will affect the performance of our plantation estates.

Other factors may also affect our yields, including seed quality, pest and diseases and soil fertility. While we are able to manage these factors to an extent through steps such as investments in research and development, human capital, training and equipment maintenance, these factors may also be affected by events or circumstances beyond our control, such as advancements in technology in general, weather and the environment and macroeconomic trends. Accidents or events such as fires may also affect our yields, for example by damaging our crops or creating unsafe working conditions. There can be no assurance that we will be able to maintain an optimal age profile for our oil palms or achieve our targeted yield levels on a consistent basis or at all.

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9. RISK FACTORS (CONT'D)

The following factors in particular have in the past affected and may in the future affect our production and supply of FFB:

(i) Weather patterns

Weather has a key impact on oil palm yields. Volatile and unpredictable weather patterns require our management to be meticulous and farsighted in terms of planning for our plantations.

Overly dry or wet weather conditions can potentially induce tree stress, leading to lower FFB yields. Adverse wet weather also affects harvesting and crop recovery. Heavy rainfalls may cause the condition of the terrain on our plantation estates to be slippery or soft, thereby making it difficult for our workers to access our plantation estates and harvest our FFB due to poor road conditions and soil can become oversaturated.

Additionally, continuous torrential rain may lead to flooding especially in areas near riverbanks, and subsequently delay FFB harvesting. Adverse dry weather affects the yield of oil palm as low rainfall generally results in lower FFB yields. Insufficient rainfall causes oil palm to produce fewer flowers which develop into FFB and may delay fertilising schedules. Prolonged dry conditions could induce moisture stress in oil palms, which will affect plant vegetative growth and lead to reduce production, depending on the severity of the drought. Meanwhile, prolonged wet conditions could disrupt pollination, harvesting and transportation, leading to a decline in FFB production.

We experienced extremely low rainfall during the 1st half of 2019, which led to declining FFB yield in the 1st quarter of 2021. There was also hot and dry weather during the 1st half of 2019, which resulted in a higher percentage of FFB being unsuitable for processing. Both incidents contributed to our lower FFB yield in the FYE 2021 as compared to FYE 2020, which resulted in lower CPO and PK delivery volume although revenue was not adversely impacted due to increases in our CPO and PK average selling prices. In contrast, we experienced favourable weather conditions in the first 3 quarters of 2022, which is expected to improve FFB yields in future harvests. Any poor weather conditions, especially if continued for a prolonged period, could adversely affect our business, financial condition, results of operations and prospects.

(ii) Flood and other natural disasters

Natural disasters, such as floods, tsunamis, tidal waves or other natural disasters, may adversely affect our operations. As disclosed in Section 7.18.3 of this Prospectus, in March 2023, Johor was affected by extreme weather conditions with nearly 2 weeks of torrential rain which caused flooding. The flooding displaced large numbers of people in the community from their homes and had also damaged roads, bridges and other infrastructure in the community. In relation to our operations, the flooding impeded and, in some cases, entirely prevented workers from traveling to, from and within our estates to harvest and transport our FFB.

As a result of the above, our FFB yields declined by approximately 1.8% while our CPO and PK production decreased by approximately 6.4% and 5.2% respectively during the FYE 2023 as compared to the FYE 2022. Notwithstanding that this had resulted in loss of FFB yield as well as CPO and PK production, we do not expect the flooding to have a significant long-term impact as our oil palms were not inundated for an extended period of time as our irrigation and drainage systems were able to evacuate the flood waters from our estates. In the longer term, the soil moisture level caused by the flooding could adversely impact the productivity of our oil palms. There can also be no assurance that future geological occurrences will not adversely affect our business, financial condition, results of operations and prospects.

9. RISK FACTORS (CONT'D)

(iii) Monoculture risk, pests or diseases

Our plantation activities are largely concentrated on the cultivation of a single type of crop, which is oil palm. As such, we are exposed to monoculture risk, the risk related to the cultivation of a single crop in a given area, and our oil palm may be susceptible to attacks by pests or diseases, including diseases caused by infectious organisms (also known as plant pathogens) and outbreaks of leaf-eating insects such as nettle caterpillars and bagworms. Diseases and pests can cause lower FFB yields, and in extreme cases, these attacks by pests or diseases could destroy large areas of oil palm crops. Fungal diseases such as 'Ganoderma basal stem rot' and 'Stem Rot disease' are examples of diseases that typically infect oil palm crops, while pests that attack oil palm crops include rats, leaf eaters (bagworm and nettle caterpillars) and rhinoceros beetles. We have not experienced any material occurrence of monoculture risk, pests or diseases in the past. However, the occurrence of such attacks may adversely affect the operations, production and yield of our plantations. There can also be no assurance that fungal diseases, bacterial-related diseases, and pests will not adversely affect our business, financial condition, results of operations and prospects.

9.1.2 Our business operations and financial performance may be affected by prolonged or significant disruption to our production, storage and distribution facilities, and transportation infrastructure

Our plantation business is highly dependent on our production, storage and distribution facilities or transportation infrastructure that we use to ensure smooth operation. We face a number of operational risks at our plantation estates and POMs, POME facilities, biomethane generation and planned bio-CNG facilities. Our production, storage and distribution facilities or transportation infrastructure that we use are subject to being partially or completely shut down, temporarily or permanently, as a result of a number of circumstances, such as adverse weather conditions, catastrophic events, environmental remediation, equipment or machinery breakdowns, strikes, lock-outs or other events. For example, major disruptions in the supply of utilities such as water or electricity or other operational difficulties at our production facilities, could reduce the amount or quality of products that we are able to produce and/or cause us to incur additional expenses. Our production facilities are also subject to a number of risks such as extreme weather conditions, fires, explosions, natural disasters, third-party interference, war or terrorism, civil unrest, and mechanical failures of equipment. Any of these occurrences may disrupt our operational activities including our FFB production, which could negatively affect the volume of CPO and PK we produce.

An example of an incident which may give rise to disruption in our operations is the fire incident which occurred at the biomethane plant on 25 October 2023 as disclosed in Section 7.18.4 of this Prospectus. Another example of operation risk is that our production facilities may require unscheduled downtime or unanticipated maintenance, which could reduce our revenues and increase our costs during the affected period. We experienced a total plant shutdown for 10 days at our Sedenak POM in 2022 due to the downtime experienced by our multistage turbine. However, this did not materially affect our results of operations as we were able to divert all of the FFB from Sedenak POM to our other mills, thereby avoiding a material loss from unused or spoiled FFB or a material decline in CPO and PK production. Outages or extended downtime at our production facilities such as this could lead to our inability to continue our production, whether prolonged or within a short period, which in turn will lead to a loss of product or diminished product quality.

We have not experienced any material occurrence of prolonged interruption in our production, storage and distribution facilities or transportation infrastructure in the past. However, any prolonged interruption could disrupt the flow of our business operations, impact our ability to serve our customers in a timely manner, and adversely affect results of operations and financial performance.

9. RISK FACTORS (CONT'D)

9.1.3 Our major customers typically account for a significant portion of our revenue each year

We sell our products in large quantities to a relatively small number of customers each year and at prices above the market average after taking into account the costs related to our sustainable practices. As a result, certain major customers typically account for a significant portion of our revenue in a single year. We generally do not enter into long term contracts with our customers, and both parties have the ability to seek significant changes to the terms of, or discontinue, our business arrangements.

During the Financial Years Under Review, a significant portion of our revenue was derived from sales to 3 of our major customers, as follows:

Major customers / Length of business relationship as at 31 December 2023	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	Revenue contribution (RM'000)	(%)	Revenue contribution (RM'000)	(%)	Revenue contribution (RM'000)	(%)	Revenue contribution (RM'000)	(%)
Intercontinental Specialty Fats Sdn Bhd / 8 years	419,484	41.1	658,033	42.5	730,868	41.7	478,918	38.2
Pal maju Edible Oil Sdn Bhd / 25 years	34,682	3.4	143,290	9.2	391,634	22.4	283,837	22.6
PGEO Group Sdn Bhd / 11 years	74,556	7.3	100,988	6.5	33,624	1.9	211,330	16.9
Total	528,722	51.8	902,311	58.2	1,156,126	66.0	974,085	77.7

We have not experienced any termination of relationship by major customers in the past. However, if one or more of our major customers terminates their relationship with us or decides to purchase less products than expected, our results of operations could be adversely affected if we are unable to procure substitute orders of comparable size and on comparable terms from other customers in a timely manner. In addition, as we typically commit a large portion of our production volume to a small number of customers, our business may be adversely affected by risks and unexpected adverse developments affecting those customers.

9.1.4 We are dependent on foreign workers for our plantation operations

The plantation industry in Malaysia, including us, relies heavily on foreign labour. Oil palm plantations require extensive manpower in nurturing of seedlings, palm planting, manuring, harvesting and other routine maintenance work to achieve optimal yields. As such, we rely on employing foreign workers mainly from Indonesia and Bangladesh for our oil palm plantation operations. As at the LPD, we employed a total of 4,780 estate workers (out of which 3,572 are foreign workers) to work on our plantation estates, and these foreign workers represented approximately 74.7% of our total field workers.

We obtain 12-month work permits for all of our foreign workers, which may be renewed up to a maximum period of 10 years. In order to obtain the necessary documents for foreign workers to work in Malaysia, applications for these permits must be made to the Ministry of Home Affairs of Malaysia and simultaneously, to the relevant embassies of the origin countries of the foreign workers in Malaysia. If the policies on granting such necessary documents were to change in Malaysia and/or the respective source countries, and if such changes result in a more difficult process, it may be more challenging for us to maintain a sufficient workforce for our oil palm plantation operations.

Any adverse changes to the policies relating to the employment of foreign workers between Malaysia and the countries from which our foreign workers are sourced, any significant increase in labour wages or any other inability to hire and retain foreign workers may adversely affect our business operations and financial performance.

9. RISK FACTORS (CONT'D)

For example, in 2020, the implementation of the MCO by the Government in response to the COVID-19 pandemic prevented new intakes of foreign workers starting from 18 March 2020. In 2021, the continuing effects of the COVID-19 pandemic, namely a prolonged freeze in new recruitment of foreign workers and continuous attrition of experienced workers returning to their home countries, resulted in an unprecedented acute shortage of labour. In Malaysia, supply of labour was constrained as well, especially in the plantation industry. Further, although COVID-19-related restrictions on movement have now been relaxed in Malaysia, Indonesia and elsewhere where we hire our foreign workers, some of our foreign workers have chosen to remain in their home countries, including some of those with significant experience and knowhow. As a result, we have hired workers that require more training and closer supervision while they develop their skills and knowhow, which has resulted in lower FFB yields in the short term due to inefficient harvesting by inexperienced workers as compared to pre-COVID-19 levels. Another example was an increase in the foreign worker levy in Malaysia which came into effect on 1 February 2016 and consequently increased our labour costs by approximately RM0.2 million for the FYE 2016.

There can be no assurance that our business operations and financial performance will not be materially and adversely affected arising from any changes in policies relating to the employment of foreign workers in the future.

9.1.5 Our business operations may be affected by loss of right of use of the estates that we rent which contribute a substantial amount of our FFB production

We rent the Malay Reserved Estates from JCorp and they collectively contributed approximately 185,320 MT, 164,954 MT, 178,912 MT and 179,916 MT of FFB, representing approximately 16.2%, 15.9%, 16.1% and 17.4% of the FFB produced on our owned and rented plantation estates during the Financial Years Under Review respectively. Based on the terms of the Renewal Tenancy Agreement, the term of our tenancy for the Malay Reserved Estates will expire on 30 June 2026. To provide certainty on our continuous usage of the Malay Reserved Estates, JCorp and our Company had on 1 March 2024 executed the Second Supplemental Agreement to further amend the terms of the Tenancy Agreement, by stipulating the termination event of the tenancy in respect of the Malay Reserved Estates and providing certainty on the tenancy term following its expiry on 30 June 2026, subject to the terms of the Second Supplemental Agreement.

Pursuant to the terms of the Second Supplemental Agreement, if our Company shall be desirous of renewing the tenancy of the Malay Reserved Estates upon the expiration of any Extended Term (as defined in Section 7.9 of this Prospectus), our Company shall, not more than 6 months and not less than 3 months before the date of expiration of the Extended Term, give to JCorp notice in writing of such desire to renew, and if at the time the aforesaid notice in writing is given, the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate continues to be in operation and there shall not be any existing breach or non-observance of any of the covenants, provisions and stipulations on the part of our Company contained in the Tenancy Agreement (including up-to-date payment by our Company of all accrued total rental payable under the Tenancy Agreement), JCorp will, at the cost and expense of our Company, let the Malay Reserved Estates to our Company for a further fixed period of 3 years, commencing from the date next following the date of expiration of the Extended Term.

Notwithstanding the express right granted to us under the Second Supplemental Agreement to renew our tenancy of the Malay Reserved Estates for subsequent terms, JCorp is entitled to terminate the Tenancy Agreement in the event we breach any of the covenants under the Tenancy Agreement and fail or neglect to remedy such breach within the stipulated period provided therein. If the Tenancy Agreement is terminated as a result thereof, JCorp is entitled to claim for the remaining balance of the total rent for the tenancy or forfeit the balance of the total rent for the tenancy paid in advance (as the case may be) for the remaining tenancy period during the term of the tenancy as liquidated damages, and we will lose our right to use the Malay Reserved Estates, including our right to use our integrated sustainable palm oil complex to be constructed on Pasir Logok Estate, and we will have to identify alternative estate for the relocation of our integrated sustainable palm oil complex. This will have a material adverse effect on our business, financial condition, results of operations and prospects.

9. RISK FACTORS (CONT'D)

Additionally, while we are entitled to claim from JCorp the NBV of the assets (including oil palm plantations and palm oil and palm products processing facilities) developed or constructed on the Malay Reserved Estates and the NBV of the planting and/or replanting cost of the palm oil plantation as at the date of termination as agreed liquidated damages should JCorp commit an event of default under the or prematurely terminates the tenancy or revoke our right of use of and/or access to the Malay Reserved Estates, we are however not entitled to claim for any loss of future income expected to be generated from the operation of the integrated sustainable palm oil complex.

Please refer to Section 7.1 of this Prospectus for the estimated revenue contribution from the Malay Reserved Estates and Section 7.9 of this Prospectus for the terms of the Tenancy Agreement which has been renewed via the Renewal Tenancy Agreement.

9.1.6 We may not be able to continuously renew the term of the Tenancy Agreement

Pursuant to the terms of the Second Supplemental Agreement, we are entitled to renew the tenancy of the Malay Reserved Estates upon expiration of any Extended Term (as defined in Section 7.9 of this Prospectus), so long as the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate continues to be in operation, and there is no existing breach or non-observance of any of the covenants and provisions on our part contained in the Tenancy Agreement. This indicates that the continuous renewal of the term of the Tenancy Agreement is subject to the fulfillment of the aforementioned conditions.

If we cease operation of the integrated sustainable palm oil complex to be constructed on Pasir Logok Estate or we breach any of our covenants provided in the Tenancy Agreement, JCorp may, upon receiving our notice in writing to renew the Extended Term, decline the renewal of the Extended Term, and following thereto, our tenancy with JCorp pertaining to the Malay Reserved Estates will cease immediately upon the expiry of the relevant Extended Term. Thereafter, we will lose our right to use the Malay Reserved Estates, including our right to use our integrated sustainable palm oil complex constructed on Pasir Logok Estate, and we will have to identify alternative estate for the relocation of our integrated sustainable palm oil complex. This will have a material adverse effect on our business, financial condition, results of operations and prospects.

Furthermore, if JCorp chooses not to renew the term of the Tenancy Agreement as a result of our failure to comply with any of the aforementioned requirements, we will not be entitled to claim any liquidated damages as compensation from JCorp.

9.1.7 Our right to use the integrated sustainable palm oil complex may be compromised as our interest on the Pasir Logok Estate is non-registrable

The Pasir Logok Estate, which has been identified for the construction of our integrated sustainable palm oil complex, forms part of the Malay Reserved Estates currently rented by our Company from JCorp pursuant to the Tenancy Agreement and the Renewal Tenancy Agreement.

Unlike a lease arrangement whereby the lessee's interest must be registered against the land, our right under the Tenancy Agreement and the Renewal Tenancy Agreement is non-registrable. In other words, we are not permitted to register our tenancy in respect of the Malay Reserved Estates at the relevant land registry. As such, in the event the registered proprietor of the Malay Reserved Estates, i.e. JCorp or Kulim (as the case may be), disposes of or leases the Pasir Logok Estate to another party without taking into account our interest under the Tenancy Agreement and the Renewal Tenancy Agreement, our legal recourse against the Malay Reserved Estates would be limited. While we have the option to seek damages from JCorp or Kulim (as the case may be), we would nonetheless be compelled to vacate and deliver the estates to the new registered proprietor or lessee. Consequently, we will have to identify alternative estate for the relocation of our integrated sustainable palm oil complex, and this will have a material adverse effect on our business, financial condition, results of operations and prospects.

9. RISK FACTORS (CONT'D)

9.1.8 Our business operations are dependent on our Managing Director and Key Senior Management

We are dependent on the experience, knowledge and skills of our Managing Director and Key Senior Management for our oil palm plantation operations:

- (i) Mohd Faris Adli Bin Shukery, our Managing Director, oversees the entire oil palm business and expansion strategies and initiatives of the palm oil business, and has more than 19 years of experience in the plantation industry;
- (ii) Aziah Binti Ahmad, our Chief Financial Officer, oversees all of our accounting functions, including financial reporting, budgeting and cash flow management, and has more than 35 years of experience in accounting, finance, and audit in various industries;
- (iii) Mohamad Yami Bin Bakar, our Head of Plantation, oversees the operation of all of our plantation estates and POMs, and has more than 31 years of experience in the plantation industry;
- (iv) Amran Bin Zakaria, our Head of Group Human Capital, oversees all matters related to human resources, and has more than 29 years of experience in human resources in various industries; and
- (v) Wan Adlin Bin Wan Mahmood, our Head of Sustainability and Innovation, oversees the management of our sustainability system, innovation management and project management, and has more than 20 years of management experience in the plantation industry.

The loss of services of our Managing Director or any of our Key Senior Management without suitable and timely replacement may adversely affect our business operations and financial performance. Please refer to Sections 5.2.1 and 5.3.1 of this Prospectus for the profiles of our Managing Director and Key Senior Management respectively.

9.1.9 We may not be able to renew or obtain licences, permits and certificates required to carry out our business operations or meet our regulatory or customer requirements as they evolve

We require various approvals, licences, permits and certificates to operate our oil palm plantations, POMs and renewable energy facilities to produce and sell FFB, CPO, PK and biofuels. Save and except for the expired licences which are currently pending issuance of the renewed licences as set out in Annexure A of this Prospectus, we have obtained all major approvals, licences, permits and certificates which we are dependent on for our business operations in Malaysia as at the LPD.

We have adapted our plantation operations to adhere to requirements for sustainable and traceable palm oil production that are set by RSPO as well as quality standards that are set by our various customers. Our ability to adhere to the RSPO requirements may also depend on our ability to screen for and select certified FFB from our external FFB suppliers that meet our quality standards. Furthermore, we are required to ensure our continued compliance with these requirements and standards if they are modified in the future or if we are required or choose (as the case may be) to comply with the requirements or standards of other regulatory bodies or customers. Our ability to adapt to changes and to anticipate future requirements and standards could become a factor in maintaining or improving our competitive position and prospects for growth.

We may also have to incur substantial unanticipated costs to comply with these new standards. There is no assurance that we will not encounter problems in obtaining and/or maintaining such required approvals in the future, or that we will be able to adapt ourselves to new laws, regulations or policies that may come into effect from time to time with respect to the palm oil industry in general.

Failure by us to renew, maintain or obtain the required approvals, licences, permits and certificates may interrupt our operations, delay or prevent the implementation of any capacity expansion or new projects and may have a material adverse effect on our business, financial condition, results of operations and prospects.

9. RISK FACTORS (CONT'D)

9.1.10 Our business operations could be affected by legal, regulatory, or political changes

Our business is subject to various laws, regulations, policies, and the political and social environment in Malaysia, and legal, regulatory or political changes could increase our costs and expenses. For example, the Government increased the minimum wage in May 2022 by 25% from RM1,200 a month to RM1,500 a month, which led to an increase in our labour costs. We are exposed to the risk of enforcement actions and investigations should we fail to comply with such relevant laws, regulations, and policies.

We are subject to the risk that regulatory authorities may, from time to time, impose additional standards and requirements, which could be more stringent or onerous than those which currently apply to us. If there is non-compliance, these licences and approvals may be revoked or may not be renewed upon expiry. For example, the European Union Deforestation Regulation that is scheduled to come into force at the end of December 2024 will apply to any company which imports or exports CPO, PK, refined palm oil products or basic oleochemicals to the European Union. While we do not export our CPO, we are aware that the ultimate end-user of at least some of our palm oil products is in the European Union. The European Food Safety Authority has also agreed in principle to limit mineral oil aromatic hydrocarbons content due to its possible cancer causing properties. These and similar regulations could adversely affect our business, financial condition, results of operations and prospects. Similarly, any breach of these conditions, laws and regulations can result in penalties, fines, potential prosecution against us and/or our directors, restrictions on operations and/or remedial liabilities.

We may be subject to legal, regulatory, political and policy changes which we may not be able to anticipate, including disputes with local communities over land-related issues, that could adversely affect our business, financial condition, results of operations and prospects.

Although RSPO membership is voluntary, as a member, we are subject to the grievance process implemented by RSPO to address any complaints lodged against us for environmental and social breaches. Any such complaints made against us may have negative effects on our reputation and may cause us to be subject to further penalties if the RSPO grievance panel concurs with the allegations made against us.

There may also be continued pressure for plantation businesses to adopt more stringent sustainability practices arising from more scrutiny imposed on oil palm plantation companies globally. Such practices include environment-friendly and socially responsible operations and sustainable sourcing as part of the efforts to reduce the environmental and social impact of palm oil production.

9.1.11 Legal disputes or proceedings could expose us to liability and negatively impact our reputation

We may be involved in potential legal disputes or proceedings that could have an adverse impact on our reputation, business, financial condition, results of operations and prospects. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular dispute or any adverse judgments arising from the legal proceeding will not have a material adverse effect on our future cash flow, results of operations or financial condition. We may incur substantial legal expenses due to any litigation or legal proceedings. We are currently involved in a legal proceeding initiated by DOSH for breach of Section 15(1) of the OSHA, details of which are provided in Sections 7.19.3(v) and 14.7 of this Prospectus.

9.1.12 We may suffer uninsured losses or losses in excess of insured limits

We maintain insurance policies in line with general business practices, where practicable, with adequate policy specifications and insured limits. Our insurance policies cover risks such as fire, flood, riot, strike, malicious damage and public liability, to protect against property damage, business interruption and general liability.

9. RISK FACTORS (CONT'D)

There are, however, certain types of losses arising from wars, acts of terrorism or acts of God that are generally not insured as they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits or a failure of insurers to fulfil their obligation for the sum insured occur, we could be required to pay compensation and/or lose the capital we invested in the property, as well as anticipated future revenue from that property.

Any such loss could adversely affect our business, financial condition, results of operations and prospects. As at the LPD, we do not have any unresolved uninsured losses or loss in excess of insured limits or material outstanding claims against insurers for insured losses.

An example of an incident which may give rise to loss or damage is the fire incident which occurred at the biomethane plant on 25 October 2023 as disclosed in Section 7.18.4 of this Prospectus. While the loss and damage caused by such fire incident was ultimately not material from a business, financial condition or operational perspective, there can be no assurance that material losses will not occur in the future that exceed the coverage obtained or compensation received or that adequate insurance coverage will be available in the future on commercially reasonable terms or rates.

9.1.13 We could be impacted by matters affecting reputation, litigation, regulatory or other matters due to our association with our Promoters

We are associated with our Promoters, namely JCorp and Kulim. As an indirect subsidiary of JCorp, we believe that we benefit from the industry reputations of both of our Promoters in our business dealings, including with our customers and suppliers. Any negative publicity on our Promoters or changes in the public opinion regarding them could harm our reputation and the confidence in and use of our products.

If our Promoters do not successfully maintain a strong and trusted brand, our business, financial condition, results of operations and prospects could be adversely affected even if we are not involved. We may incur additional costs in addressing such matters regardless of merit or outcome and this may also divert our management's time and attention.

9.1.14 We may not be able to acquire new plantation land to increase our FFB production capacity or maintain the right of use of the plantation estates that we rent

We compete with other plantation companies and other agricultural companies to secure suitable plantation land to carry out our plans to acquire additional landbank for oil palm, including rental of plantation estates, as well as through arrangements to manage third-party plantation estates. We may also acquire oil palm landbank from other oil palm planters as part of our expansion strategy. We rent the Malay Reserved Estates and Kuala Kabong Estate from JCorp. We may also rent additional plantation estates from third parties in the future.

While we have not encountered any difficulties in renewing the tenancy for our rented plantation estates, there can be no assurance that we will be able to renew all our rentals at commercially reasonable costs or on similar or more favourable terms at all, or that we will be able to obtain suitable rentals at alternative sites, and any such failure to secure renewal or an alternative rental could materially and adversely affect our business, financial condition and results of operations.

There can be no assurance that we will be able to acquire new plantation land (including land rentals) in the future to support our growth strategy. If we are unable to expand our operations to increase our FFB production capacity, we would be required to increase our purchases from third-party FFB suppliers to increase our CPO and PK production, and there may not be sufficient certified FFB from third-party FFB suppliers to support our growth or the cost of such certified FFB from third-party FFB suppliers may increase our costs and affect our margins.

9. RISK FACTORS (CONT'D)

As we are committed to environmental conservation and due to our membership with the RSPO, any future land acquisitions (including land rentals) of suitable plantation land will require us to consider the social and environmental impact of our activities on the said land in accordance with our sustainability commitment, which could result in fewer land areas being deemed as suitable acquisition targets for us. The Government has also signaled that it plans to reduce the frequency of new land clearing to promote RSPO certification compliance. As a result, there can be no assurance that we will be able to source suitable land for expansion of our landbank in the future.

9.1.15 We may experience land disputes and our existing lands may also be subject to compulsory acquisition

We may experience land disputes in the future. Such land disputes may arise over land ownership or overlapping land usage (where an area of land that has been allocated by the government authorities to a party for a specific purpose overlaps with other areas that have also been allocated by other government authorities to other parties for other purposes or reserved by the government for a specific purpose only). We have not experienced any material occurrence of land disputes in the past.

Our land sites may also be compulsorily acquired by the Government based on reasons such as, among others, public use or due to public interest. If such land sites are compulsorily acquired and the NBV of such land sites is greater than the compensation paid by the Government, our business, financial condition, results of operations and prospects may be materially and adversely affected.

9.1.16 Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees

Some of our operations staff and workers, including foreign workers, are members of the All Malayan Estates Staff Union or National Union of Plantation Workers. Although we have not experienced any material labour unrest during the Financial Years Under Review, there can be no assurance that we will not experience disruptions at work due to disputes or other problems with our workforce, which may adversely affect our ability to continue our business operations.

Any labour unrest directed against us could, directly or indirectly, prevent or hinder our normal operating activities, and if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, financial condition, results of operations and prospects. As at the LPD, there have been no significant incident of strike, work stoppages, increased wage demands or other kind of dispute. As at the LPD, we have not received any notices from the labour department or labour union in respect of any dispute involving us with our employees.

9.1.17 Our research and development cycles are lengthy and uncertain, and new business opportunities may not materialise

We undertake research and development initiatives to remain competitive in our industry and to support our plantation business, including cloning and plant breeding to develop higher yielding planting materials and seed production, crossing programmes and experimental plot.

The process of developing and commercialising new planting materials may involve multiple phases. We may dedicate significant financial and other resources to these initiatives before we achieve our research and development objectives. The introduction of new proprietary planting materials by our competitors may render the products of our research and development initiatives less competitive or less marketable. If our research and development cycles are prolonged or our research and development initiatives do not materialise, this may adversely affect our business, financial condition, results of operations and prospects.

9. RISK FACTORS (CONT'D)

9.1.18 We may incur additional costs to comply with environmental and health and safety regulations and may be exposed to liabilities if we fail to comply with these regulations

We are subject to various environmental and health and safety laws and regulations in Malaysia, including requirements related to the emission and discharge of hazardous materials, air or water from our facilities, safety and integrity of our POMs, solid waste management and emergency planning. As these laws and regulations become more stringent, they may require us to purchase and install new or additional pollution control equipment or to make operational changes to limit actual or potential impacts on the environment or the health of our employees.

Our principal environmental concerns relate to land and forest clearance for plantation development and emission and discharge from our POMs. We have been complying with the relevant environmental and health and safety regulations save and except that during the Financial Years Under Review, there were instances of non-compliance with the OSHA arising from the occurrence of accidents as disclosed in Section 7.19.3(v) of this Prospectus.

Any health and safety or environmental claims or the failure to comply with any present or future regulations could result in the assessment of damages, the imposition of fines, criminal sanctions or the suspension or cessation of our facilities and operations, which may adversely affect our business, financial condition, results of operations and prospects.

9.1.19 We are exposed to risks in relation to work safety and occurrences of accidents and may also be involved in disputes and legal and other proceedings arising from our operations

Our production facilities require individuals to work with equipment, chemicals and other materials that have the potential to cause harm and injury when used without due care. The non-compliance of our workers with the operational safety and health policies may cause potential hazardous situations. In addition, many of our employees are engaged in harvesting and transportation activities whereby harm and injury could be caused.

In the past, we had instances where employees working in our operations were killed or injured as a result of operating our production equipment, handling various chemicals, raw materials and other items utilised or generated in our business as well as in transportation-related accidents. Please refer to Sections 7.19.3(v) and 14.7 of this Prospectus for further details of the fatal accident at our Sedenak POM.

Although we have occupational health and safety policies and procedures in place such as, among others, developed standard operating and maintenance procedures, regular inspection of tools and equipment, providing training on proper wearing of protective equipment, empowering workers to report unsafe acts and conditions, regular announcements and circulars relating to standard operating procedures, there are inherent risks of work injuries or accidents occurring in the course of our business operations. An accident, injury or death that occurs at our production facilities could result in disruptions to our business, including our production capabilities, and have legal and regulatory consequences, such that we may be required to compensate such individuals or incur other costs and liabilities, any and all of which could adversely affect our reputation, business, financial condition, results of operations and prospects.

9.1.20 Our profitability could be materially and adversely affected if we are unable to improve our production efficiency

Our future success and earnings growth depends on our ability to be efficient in the production of our products in a highly competitive market. Failure on our part to reduce costs through productivity gains could adversely affect our profitability and weaken our competitive position. Productivity initiatives that we may implement could involve complex reorganisation of our FFB production and mill operations. Such realignment of operations may result in the interruption of production, which may negatively impact our production volume and margins and could adversely affect our business, financial condition, results of operations and prospects.

9. RISK FACTORS (CONT'D)

9.1.21 Adverse developments in the global capital and credit markets could negatively affect our liquidity, increase our costs of borrowing, and disrupt the operations of our suppliers and customers

Global capital and credit markets have experienced extreme volatility, disruption, and decreased liquidity in recent years, including recently, making it more difficult for companies to access them. Volatility and weaknesses in global capital and credit markets have added to the uncertainty of the global economic outlook and a number of countries are experiencing slowdown in economic activity. Although our direct exposure to the European and United States markets is limited, adverse developments in those markets have, in the past, led to, and in the future may cause, weaker market confidence, limitations on access to, and higher costs of, funding and adverse impacts on the industries and businesses of our customers.

If market conditions are unaccommodating due to economic, financial, political or other reasons, our ability to obtain bank financing and access the capital markets may be adversely affected and may be subject to higher costs. Our business could also be negatively impacted if our suppliers or customers experience disruptions resulting from tighter capital and credit markets or a slowdown in the general economy. Any or all of these developments could have a material adverse effect on our business, financial condition, results of operations and prospects.

9.1.22 Exposure to increases in interest rates

We are exposed to increases in interest rates which could reduce our profitability and adversely impact our ability to refinance existing debt. We have floating rate obligations for certain of our borrowings. As we do not manage our exposure to interest rate volatility, any increase in interest rates will increase the costs of these borrowings, which may in turn reduce our profitability and impair our ability to meet our debt obligations. An increase in interest rates could also limit our ability to refinance existing debt upon maturity or cause us to pay higher rates upon refinancing.

9.2 RISKS RELATING TO OUR INDUSTRY

9.2.1 We face fluctuations in commodities and raw materials prices

As globally traded commodities, the prices of CPO and PK are fundamentally dependent on supply and demand conditions of the global oils and fats market. Global prices of the oils and fats are in turn affected by the availability of agricultural commodities, of which supply is affected by unpredictable factors such as weather conditions, while demand is affected by factors such as changes in population growth, changes in standards of living, biodiesel demand and global production of substitute and competitive crops, in addition to the world economy. Although the majority of the FFB that we process in our POMs is sourced from our own plantation estates, we also purchase FFB from third-party FFB suppliers or external plantation estates, including RSPO-certified FFB, which is relatively more scarce and costly. Increases in the price of FFB, palm oil products in general and palm oil alternatives have, in the past and in the future, may lead to increases in the prices of FFB that we purchase and adversely impact our margins and profitability.

Prices of FFB are also affected by a variety of other factors which are beyond our control, including environmental and conservation regulations, tariffs, and natural disasters. The markets for CPO and PK are also sensitive to changes in industry capacity and output levels. There can be no assurance that any price fluctuations will not have an adverse impact on our business operations and financial performance.

Our performance is largely affected by CPO prices which vary on a daily basis and as such, our earnings and profit margins are subject to market vagaries. In addition, the prices of our palm products and our profit margin are fundamentally dependent on supply and demand conditions of the global oils and fats market, including the prices of soybean and sunflower oil.

9. RISK FACTORS (CONT'D)

As the global economy recovers from the COVID-19 pandemic, demand for oils and fats further increased, far outstripping supply which was hampered by various reasons across the globe. The outcome was a sharp increase in the price of vegetable oils, with CPO prices hitting historic highs. Price of CPO averaged at RM4,407 per MT in 2021, which is approximately 64.1% higher than the average CPO selling price of RM2,686 per MT in 2020 according to MPOB. However, there can be no assurance that CPO prices will not fall in the future. Furthermore, fluctuations in the prices and supply of raw materials, which include fertilisers and fuel, may affect our business. The prices and availability of raw materials may be affected by factors such as changes in global supply and demand, state of the global economy, inflationary pressure, environmental regulations, tariffs, natural disasters, forest fires, weather conditions and labour unrest.

The prices of fertiliser and diesel fluctuate based on market conditions. Fertilisers, particularly nitrogenous and potash based fertilisers, fluctuate in line with crude oil prices by virtue of its key raw material being a by-product of crude oil and the use of crude oil in its production. During the Financial Years Under Review, the prices of fertiliser and fuel remained relatively stable and there was no fluctuation in the prices and availability of materials that significantly affected our results of operations.

9.2.2 Any significant fluctuation in the supply of CPO or substitute products may adversely affect our business, financial condition, results of operations and prospects.

We are exposed to competition from other companies and substitute products. Both the Malaysian and global palm oil-based industry is highly competitive and comprises a large number of producers. Majority of the global CPO production is produced from Indonesia and Malaysia. According to the IMR Report, approximately 59.5% of the global supply of CPO in 2023 is produced in Indonesia, while approximately 24.1% is produced in Malaysia and approximately 4.5% is produced in Thailand.

A decline in prices of competing edible oils, produced either by our competitors or other producers of such edible oils, could have an impact on the demand of palm oil if consumers increase the usage of these edible oils in place of palm oil. As a result, our oil palm business and financial performance will be adversely affected.

Although we seek to continue to adopt appropriate strategies to remain competitive, there can be no assurance that competition from palm oil producers and other producers of substitute products of palm oil will not have an adverse impact on our business operations and financial performance.

9.2.3 Demand for vegetable oils including CPO and other palm oil-based products may be affected by current and future consumer trends and preferences

The edible oil business is characterised by frequent changes in consumer preferences. Our success and profitability will depend on our ability to anticipate and respond to the competitive factors affecting the industry including changing consumer preferences and prices of competing alternative edible oils, introduction of new products and economic conditions. There can be no assurance that we will be able to respond effectively in a timely manner and be able to retain our customers.

Demand for our palm oil products may be affected by changes in the perception of climate change costs and benefits connected with palm oil production as well as cost arising from the imposition and enforcement of more stringent environmental regulations. Demand for CPO and other palm oil-based products may be affected by campaigns brought by environmental groups. For example, environmental non-governmental organisations have challenged the sustainability of growth in palm oil production and whether the climate change benefits obtained from using biofuel outweigh the perceived environmental costs of increased palm oil production. These environmental groups have also raised concerns that oil palm plantations result in the destruction of large areas of tropical forests and wildlife habitats and have campaigned to promote sustainable oil palm cultivation and environmentally friendly practices on oil palm plantations. It is possible that our sustainable practices may be challenged and we may be required to dedicate significant resources to respond to such claims. It may also be possible that there will be increasing limitations placed on the operations of those in the oil palm-based industry in the form of government legislation or by internal policies adopted by customers.

9. RISK FACTORS (CONT'D)

Should changing consumer trends and/or preferences reduce the demand for CPO and other palm oil-based products, including as a result of environmental concerns, our business, financial condition, results of operations and prospects may be materially and adversely affected.

9.2.4 Our business operations and financial performance may be affected by outbreak of pandemics of infectious disease such as COVID-19 or other health epidemics

The outbreak of COVID-19 resulted in significant economic uncertainty and global instability during the Financial Years Under Review which had led to a decline in the global economic activity, including in Malaysia. Although the Government had implemented various measures and restrictions on the conduct of activities to contain the spread of the virus, the MCO period did not have a material adverse impact on our operations.

If there is an outbreak of pandemics of infectious disease such as COVID-19 or other health epidemics, whether in Malaysia or in other countries, such developments may lead to the re-introduction of restrictions on economic activity, possibly for longer durations, which may result in material disruptions to our supply chain. These outbreaks in the future may create similar or worse economic uncertainty in financial and commercial markets, and may adversely affect our business, financial condition, results of operations, cash flows or prospects.

Please refer to Sections 7.18 of this Prospectus for details of interruptions to our business and operations.

9.3 RISKS RELATING TO OUR SHARES**9.3.1 The sale, or possible sale, of a substantial number of our Shares in the public market following our Listing could adversely affect the price of our Shares**

Following our Listing, we will have a total of 2,500,000,000 Shares in issue, of which up to 875,000,000, representing up to 35.0% of our enlarged number of issued Shares, will be held by investors participating in our Listing, and the remaining 1,625,000,000 Shares, representing 65.0% of our enlarged number of issued Shares, will be held by our Promoters via their direct and/or indirect interests in our Company. Save for the restrictions pursuant to the moratorium and our lock-up arrangements as set out in Sections 2.2 and 4.7.3 of this Prospectus respectively, our Shares sold in our IPO will be traded on the Main Market of Bursa Securities without restrictions following our Listing.

Our Promoters and other shareholders, including the Selling Shareholders, could dispose some or all of our Shares that they hold after the moratorium period pursuant to their own investment objectives. If our shareholders sell, or are perceived as intending to sell, a substantial amount of our Shares that they hold, the market price for our Shares could be adversely affected. Furthermore, if the trading volume of our Shares is low, price fluctuations may be exacerbated. Accordingly, there can be no assurance that our Shares will not trade at prices lower than the Final Retail Price of our Shares.

9.3.2 There is no prior market for our Shares and it is uncertain whether an active or sustainable market will ever develop

Prior to our IPO, there has been no prior public market for our Shares. Accordingly, there is no assurance that an active market for our Shares will develop upon Listing or, if developed, that such a market can be sustained. There can be no assurance as to the liquidity of any market that may develop for our Shares, the ability of holders to sell our Shares or the prices at which holders would be able to sell our Shares. There can be no assurance that the Final Retail Price will correspond to the price at which our Shares will trade on the Main Market of Bursa Securities upon our Listing. There also can be no assurance that the Final Retail Price will not decline below the price of our IPO Shares.

9. RISK FACTORS (CONT'D)

Our Promoter, Kulim, was listed on the Main Market of Bursa Securities in 1975 and was subsequently delisted in 2016. The price and liquidity of Kulim's shares prior to its delisting are not indicative of the future price and liquidity of our Shares and should not be considered when making an investment decision in relation to our Shares.

9.3.3 Certain holders of our Shares may not be able to participate in future equity or rights offerings and, as a result, may experience dilution of their holdings

We may, from time to time, distribute rights to our shareholders, including rights to acquire securities and to elect to receive stock dividends in lieu of future cash dividends. However, we will not distribute such rights to holders of our Shares unless the distribution and sale of such rights and underlying securities are either exempt from registration under the U.S. Securities Act, with respect to all holders of our Shares, or are registered under the U.S. Securities Act. We cannot assure you that we will be able to establish an exemption from registration under the U.S. Securities Act with respect to any distribution of such rights and underlying securities, and we are under no obligation to file and have declared effective a registration statement with respect to these rights or underlying securities. Accordingly, certain holders of our Shares may be unable to participate in any such rights offerings and, as a result, may experience dilution of their holdings.

9.3.4 Our Share price and trading volume may be volatile

The performance of Bursa Securities is dependent on external factors such as the performances of the regional and global stock exchanges and the flows of foreign funds. The sentiment is also induced by factors such as economic and political conditions and the growth potential of the various sectors of the local economy. These factors constantly contribute to the volatility of share prices witnessed on Bursa Securities and this adds risks to the market price of our Shares. Nevertheless, our profitability is not dependent on the performance of Bursa Securities as our business activities have no direct correlation with the performance of the securities listed on Bursa Securities.

In addition, the market price of our Shares may fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- (i) trading liquidity of our Shares;
- (ii) future sales of our Shares;
- (iii) variations in our financial results and operations;
- (iv) success or failure in our management team in implementing business and growth strategies;
- (v) gain or loss of an important business relationship;
- (vi) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;
- (vii) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other related events or factors;
- (viii) changes in market valuations and share prices of companies with similar businesses to our Group that may be listed on Bursa Securities;
- (ix) additions or departures of our Key Senior Management;
- (x) fluctuation in stock market prices and volume;
- (xi) involvement in litigation;

9. RISK FACTORS (CONT'D)

- (xii) perceived prospects of our business and the industry in which we operate;
- (xiii) adverse media reports regarding us or our shareholders;
- (xiv) changes in government policy, legislation or regulation;
- (xv) general operational and business risks; or
- (xvi) natural disasters, health epidemics and outbreaks of contagious diseases.

In addition, many of the risks described elsewhere in this Prospectus could materially and adversely affect the market price of our Shares.

Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility, which have affected the share prices of many companies. The share prices of many companies have experienced wide fluctuations which were not always related to the operating performance of those companies. There can be no assurance that the price and trading of our Shares will not be subject to similar fluctuations.

9.3.5 Uncertainty of dividend payments

Our ability to declare dividends to our shareholders is dependent on, among others, our future financial performance, cash flow position, capital requirements and other obligations, and our ability to implement our business plans. Deterioration of these factors could have an effect on our business, which in turn will affect our ability to declare dividends to our shareholders. As such, there is no assurance that we will be able to pay dividends to our shareholders.

We propose to pay dividends out of cash generated by our operations after setting aside necessary funding for capital expenditures and working capital needs. Dividend payments are not guaranteed, and our Board may decide, at its discretion, at any time and for any reason, not to pay dividends. If we do not pay dividends or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected and the value of any investment in our Shares may be reduced.

Further, our payment of dividends may adversely affect our ability to fund unexpected capital expenditures as well as our ability to make interest and principal repayments on any outstanding borrowings we may have at the time. As a result, we may be required to borrow additional money or raise capital by issuing equity securities, which may not be on favourable terms or available at all. Further, in the event we incur new borrowings subsequent to our Listing, we may be subject to covenants restricting our ability to pay dividends.

9.3.6 Failure or delay in our Listing

Our Listing could be delayed or terminated due to possible occurrences of certain events, which include the following:

- (i) our Managing Underwriter and Joint Underwriters exercising their rights pursuant to the Retail Underwriting Agreement, or our Joint Global Coordinators and Joint Bookrunners exercising their rights under the Placement Agreement, to discharge themselves of their obligations under such agreements;
- (ii) we are unable to meet the public shareholding spread requirement of the Listing Requirements of at least 25% of our enlarged number of issued Shares to be held by a minimum of 1,000 public shareholders holding not less than 100 Shares each, at the point of our Listing; or
- (iii) the revocation of approvals from relevant authorities prior to our Listing or Admission for whatever reason.

9. RISK FACTORS (CONT'D)

Where prior to the issuance and allotment or transfer of our IPO Shares:

- (i) if the SC issues a stop order under Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled, and we or such other person who received the monies shall repay all monies paid in respect of the applications for our IPO Shares within 14 days of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10% per annum or at such rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- (ii) if our Listing is aborted, investors will not receive any of our IPO Shares and all monies paid in respect of all applications for our IPO Shares will be refunded free of interest.

Where subsequent to the issuance and allotment of our IPO Shares:

- (i) if the SC issues a stop order under Section 245(1) of the CMSA, any issue of our IPO Shares shall be deemed to be void and all monies received from the applicants shall forthwith be repaid without interest, and if any such money is not repaid within 14 days of the date of service of the stop order, we shall be liable to return such monies with interest at the rate of 10% per annum or at such other rate as may be specified by the SC from the expiry of that period pursuant to Section 245(7)(b) of the CMSA; or
- (ii) if our Listing is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders could only be achieved by way of a cancellation of share capital as provided under the Act and its related rules. Such cancellation can be implemented by either:
 - (a) the sanction of our shareholders by way of special resolution in a general meeting, consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya), and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances; or
 - (b) the sanction of our shareholders by special resolution in a general meeting supported by a solvency statement from our Directors.

9.3.7 The interest of our Substantial Shareholders who control our Group may not be aligned with the interest of our shareholders

Upon Listing, our Substantial Shareholders will hold in aggregate 65.0% of our enlarged number of issued Shares. As a result, they will be able to effectively control the business direction and management of our Group, including the election of Directors, the timing and payment of dividends and influence the outcome of certain matters requiring the vote of our shareholders, unless they are required to abstain from voting either by law, or by relevant guidelines or regulations.

There can be no assurance that the interests of our Substantial Shareholders will always be aligned with those of our other shareholders.

9.3.8 Forward-looking statements in this Prospectus may not be accurate

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts, included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Group for future operations are forward-looking statements. Such forward-looking statements are made based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, among others, general economic and business conditions, competition, the impact of new laws and regulations affecting our industry and government initiatives. Forward-looking statements can be identified by the use of forward-looking terminologies such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions and include all statements that are not historical facts.

9. RISK FACTORS (CONT'D)

Such forward-looking statements involve known and unknown risks, uncertainties, and other factors, including COVID-19 related factors, risks, and challenges, which may cause our actual results, performance or achievements of our Group, or industry results, to be materially different from any future results, performance, achievements, or industry results expressed or implied by such forward-looking statements.

In light of these uncertainties, the inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

10. RELATED PARTY TRANSACTIONS

10.1 OUR RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, a “related party transaction” is a transaction entered into by a listed corporation or its subsidiaries that involves the interest, direct or indirect, of a related party. This excludes a transaction entered into between a listed corporation (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiary. A “related party” of a listed corporation is:

- (i) a director, having the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed corporation, its subsidiary or holding company or a chief executive of the listed corporation, its subsidiary or holding company;
- (ii) a major shareholder including any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed corporation or its subsidiary or holding company, having an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares is:
 - (a) 10% or more of the total number of voting shares in the corporation; or
 - (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation; or
- (iii) a person connected with such director or major shareholder.

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10. RELATED PARTY TRANSACTIONS (CONT'D)

Save as disclosed below, there is no other material related party transaction entered or to be entered into by our Group which involves the interest, direct or indirect, of our Directors, our Substantial Shareholders and persons connected with them during the Financial Years Under Review and up to the LPD:

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				1 January 2024 up to the LPD (RM'000)
			FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	
JPG and the following parties:	JCorp, who is our Promoter and Substantial Shareholder, is also the holding company of Kulim, Sindora, Selai, UTMC, Kumpulan Bertam and EPA Management	Pre-Listing Restructuring, details of which are set out in Section 6.1.4 of this Prospectus. The transaction value represents the total purchase consideration paid by us for the acquisition of Kulim's plantation business under the Pre-Listing Restructuring, excluding the acquisition from our wholly-owned subsidiary, UMAC	-	-	1,292,931	-	-
		(This is a one-off transaction pursuant to our Group's internal reorganisation for our Listing)			(Represents 65.4% of our Group's NA as at 31 December 2022)		

10. RELATED PARTY TRANSACTIONS (CONT'D)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				1 January 2024 up to the LPD (RM'000)
			FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	
JPG and Kulim	Kulim is our Promoter and Substantial Shareholder	Assignment of banking facilities by JPG (assignor) to Kulim (assignee). (This is a one-off transaction as a consequence of the Pre-Listing Restructuring for banking facilities which were intended to be retained in Kulim)	-	-	101,200	-	-
JPG and the following parties: <ul style="list-style-type: none"> • JCorp; and • Johor Franchise Development 	JCorp, who is our Promoter and Substantial Shareholder, is also the holding company of Johor Franchise Development	(i) Purchase of FFB by JPG from JCorp and Johor Franchise Development ⁽¹⁾	49,986	-	-	-	-
		(ii) Provision of agency, planting advisory and agronomy services by JPG to JCorp and Johor Franchise Development ⁽²⁾	1,755	-	-	-	-
					(Represents 5.1% of our Group's NA as at 31 December 2022)		
					(Represents 6.8% of our Group's cost of sales for the FYE 2020)		
					(Represents 7.4% of our Group's other income for the FYE 2020)		

10. RELATED PARTY TRANSACTIONS (CONT'D)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				1 January 2024 up to the LPD (RM'000)
			FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	
JPG and JCorp	JCorp is our Promoter and Substantial Shareholder	(i) Rental of the Malay Reserved Estates ¹ by JPG (tenant) from JCorp (landlord) (This transaction is recurrent in nature and will subsist after our Listing)	3,203 (Represents 0.4% of our Group's cost of sales for the FYE 2020)	6,407 (Represents 0.7% of our Group's cost of sales for the FYE 2021)	6,407 (Represents 0.7% of our Group's cost of sales for the FYE 2022)	6,407 (Represents 0.7% of our Group's cost of sales for the FYE 2023)	2,669
		(ii) Rental of the Kuala Kabong Estate ⁽³⁾ by JPG (tenant) from JCorp (landlord) (This transaction is recurrent in nature and will subsist after our Listing)	-	-	47 (Represents less than 0.1% of our Group's cost of sales for the FYE 2022)	560 (Represents 0.1% of our Group's cost of sales for the FYE 2023)	233
JPG, Kulim and Johor Land	Kulim is our Promoter and Substantial Shareholder. JCorp, who is our Promoter and Substantial Shareholder is also the holding company of Johor Land and Kulim	(i) Rental of 229 Ha of REM Estate by JPG (tenant) from Johor Land (landlord) ⁽⁴⁾ (This transaction is recurrent in nature and will subsist after our Listing)	-	-	50 (Represents less than 0.1% of our Group's cost of sales for the FYE 2022)	592 (Represents 0.1% of our Group's cost of sales for the FYE 2023)	212

10. RELATED PARTY TRANSACTIONS (CONT'D)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				1 January 2024 up to the LPD (RM'000)
			FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	
		(ii) Rental of 175 Ha of REM Estate by JPG (tenant) from Kulim (landlord) ⁽⁵⁾ (This transaction is recurrent in nature and will subsist after our Listing)	-	-	43 (Represents less than 0.1% of our Group's cost of sales for the FYE 2022)	521 (Represents 0.1% of our Group's cost of sales for the FYE 2023)	217
JPG and Ayamas	Ayamas is a wholly-owned subsidiary of QSR Brands (M) Holdings Bhd, a 56%-owned subsidiary of JCorp, who is our Promoter and Substantial Shareholder	Sale of CPO by JPG to Ayamas as ingredients for broiler feeds (This transaction is recurrent in nature and will subsist after our Listing)	10,360 (Represents 1.0% of our Group's revenue for the FYE 2020)	9,727 (Represents 0.6% of our Group's revenue for the FYE 2021)	5,937 (Represents 0.3% of our Group's revenue for the FYE 2022)	2,401 (Represents 0.2% of our Group's revenue for the FYE 2023)	-

10. RELATED PARTY TRANSACTIONS (CONT'D)

Transacting parties	Nature of relationship	Nature of transaction	Transaction value				1 January 2024 up to the LPD (RM'000)
			FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	
JPG Jenterra, JPG Planterra and JPG Terrasolutions with the following parties: <ul style="list-style-type: none"> • JCorp; • Johor Franchise Development; • Johor Land; • KPJ; and • Damansara Assets 	JCorp, who is our Substantial Shareholder, is also the holding company of Johor Franchise Development, Johor Land, KPJ and Damansara Assets	Provisions of trading and support services by our Group to JCorp, Johor Franchise Development, Johor Land, KPJ and Damansara Assets ⁽⁶⁾ (This transaction is recurrent in nature and will subsist after our Listing)	1,358 (Represents 0.1% of our Group's revenue for the FYE 2020)	1,305 (Represents 0.1% of our Group's revenue for the FYE 2021)	1,033 (Represents 0.1% of our Group's revenue for the FYE 2022)	1,134 (Represents 0.1% of our Group's revenue for the FYE 2023)	266
JPG Group and JCorp	JCorp is our Promoter and Substantial Shareholder	Provision of administrative and secretarial services by JCorp to our Group (This transaction was continued in December 2023 and will subsist after our Listing)	205 (Represents 0.2% of our Group's administrative expenses for the FYE 2020)	19 (Represents less than 0.1% of our Group's administrative expenses for the FYE 2021)	-	416 (Represents 0.4% of our Group's administrative expenses for the FYE 2023)	-

10. RELATED PARTY TRANSACTIONS (CONT'D)**Notes:**

- (1) During the FYE 2020, we purchased FFB harvested from the Malay Reserved Estates from JCorp and Johor Franchise Development (being the previous beneficial owner of Bukit Kelompok Estate and Pasir Logok Estate before such beneficial ownership was transferred to JCorp following an internal reorganisation). Subsequently, we entered into the Tenancy Agreement with JCorp to rent the Malay Reserved Estates from July 2020 to June 2023, followed by the Renewal Tenancy Agreement from July 2023 to June 2026 for the operation of the oil palm plantation and have then ceased purchasing FFB from these related parties.
- (2) Refers to management and administrative support services provided by us to plantation estates owned by JCorp and Johor Franchise Development. We also provide advisory and agronomy services to assist its related companies in improving their yield and achieve operational efficiencies and effectiveness in terms of the oil extraction rate. Subsequent to the Pre-Listing Restructuring and the execution of the Tenancy Agreement with JCorp, we no longer provide these services to these related parties.
- (3) Pursuant to a tenancy agreement dated 7 February 2022 entered into between JCorp (as landlord) and Kulim (as tenant), JCorp has agreed to rent the Kuala Kabong Estate to Kulim for a term of 3 years, commencing from 1 October 2019 to 30 September 2022 ("**Kuala Kabong Estate Tenancy Agreement**"). Following the expiry of the term of the Kuala Kabong Estate Tenancy Agreement, JCorp and Kulim have executed a supplemental letter dated 13 September 2022 to extend the term of the tenancy for a further period of 2 months, commencing from 1 October 2022 to 30 November 2022 ("**Extended Term**").

On the even date, a novation agreement was executed between JCorp, Kulim and our Company whereby, with the consent of JCorp, Kulim novated all its rights, title, interest, obligations and liabilities under the Kuala Kabong Estate Tenancy Agreement to us with effect from 1 December 2022. Following the expiry of the Extended Term, JCorp, our Company and Kulim (acting on our behalf) have executed supplemental letters dated 20 November 2022, 20 March 2023 and 21 November 2023 to further extend the term of the Kuala Kabong Estate Tenancy Agreement. Based on the terms of the latest supplemental letter dated 21 November 2023, the tenancy will expire on 31 December 2024.

- (4) Pursuant to a tenancy agreement dated 26 April 2022 entered into between Johor Land (as landlord) and Kulim (as tenant), Johor Land has agreed to rent the identified parcels of land with a total land area of 270 Ha the REM Estate to Kulim for a term of 3 years, commencing from 1 January 2022 to 31 December 2024 ("**270 Ha REM Estate Tenancy Agreement**"). On 15 December 2022, a novation agreement was executed between Johor Land, Kulim and our Company whereby, with the consent of Johor Land, Kulim novated all its rights, title, interest, obligations and liabilities under the 270 Ha REM Estate Tenancy Agreement to us with effect from 1 December 2022.

In a letter dated 20 November 2023, Johor Land expressed its intention to terminate the rental arrangement in respect of 41 Ha of the REM Estate which has been designated for future property development. Accordingly, the total REM Estate land area that we rent from Johor Land was reduced to 229 Ha with effect from 15 December 2023.

- (5) Pursuant to tenancy agreements dated 30 June 2023 entered into between Kulim (as landlord) and our Company (as tenant) and a supplemental letter dated 1 July 2023 executed between Kulim and our Company, Kulim has agreed to rent identified parcels of land with a total land area of 216 Ha in the REM Estate to us for a term of 3 years, commencing from 1 December 2022 to 30 November 2025.

10. RELATED PARTY TRANSACTIONS (CONT'D)

On 1 March 2024, we ceased renting 39 Ha of the REM Estate from Kulim due to the disposal of the said land by Kulim. This, coupled with the surrender of 2 Ha of lands by Kulim to the state authority for the purpose of road construction in the REM Estate, resulted in the total land area of the REM Estate that we rent from Kulim being reduced from 216 Ha to 175 Ha.

Further, Kulim has informed us that it is in the process of disposing of a portion of the REM Estate measuring 29 Ha, and we will then cease our tenancy in respect of such area once the disposal is completed. The disposal is not expected to have any material impact to our business operations and financial performance as the land area represented less than 0.1% of our total landbank.

- (6) We provided trading and support services such as (i) sale of agricultural machineries and parts to JCorp and Johor Franchise Development for their plantation operations before we rent the Malay Reserved Estates from them, (ii) landscaping services to KPJ and Damansara Assets for their hospitals and buildings as well as (iii) supply of safety products, installation of fire safety protection system and related maintenance services to the JCorp Group. These transactions are carried out on arm's length and not to our detriment.

Our Directors confirm that all the related party transactions outlined above were transacted on an arm's length basis and on normal commercial terms which are not unfavourable to us than those generally available to third parties based on the following reasons:

- (i) the purchase considerations for the acquisition of the assets and liabilities or equity interests under the Pre-Listing Restructuring, including the assignment of banking facilities by us to Kulim as a consequence of the Pre-Listing Restructuring, were arrived at after taking into consideration their respective NBV based on the latest available unaudited management accounts prior to the completion date of the respective Pre-Listing Restructuring Agreements to provide a more accurate reflection of the financial position at the completion date of the Pre-Listing Restructuring Agreements;
- (ii) the above rental arrangements involving the Malay Reserved Estates, Kuala Kabong Estate and REM Estate were supported by valuation reports as appraised by independent property valuers appointed by us to arrive at a fair rental rate which were not unfavourable to us; and
- (iii) the transactions with our related parties such as the sale of CPO, purchase of FFB, provision of trading and support services as well as provision administrative and secretarial services were transacted at pricing which were comparable against contemporaneous transactions with unrelated third parties for similar products/services.

Our Directors also confirm that there is no other material related party transaction that has been entered by our Group which involves the interest, direct or indirect, of our Directors, Substantial Shareholders and/or persons connected to them but not yet effected up to the date of this Prospectus.

Following our Listing, our Directors will ensure that future transactions with related party (if any) will be in compliance with the Listing Requirements. The procedures to be undertaken to ensure that future transactions with related party (if any) are carried out on an arm's length basis are set out in Section 10.4 of this Prospectus.

10.2 TRANSACTIONS ENTERED INTO THAT ARE UNUSUAL IN THEIR NATURE OR CONDITIONS

Our Group has not entered into any transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, with a related party during the Financial Years Under Review up to the LPD.

10. RELATED PARTY TRANSACTIONS (CONT'D)**10.3 LOANS AND FINANCIAL ASSISTANCE MADE TO OR FOR THE BENEFIT OF RELATED PARTIES**

Save as disclosed below, there are no other outstanding loans and financial assistance made by us to or for the benefit of any related party during the Financial Years Under Review up to the LPD:

Transacting parties	Nature of relationship	Nature of transaction	Outstanding amount				1 January 2024 up to the LPD (RM'000)
			FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	
JPG Group and the JCorp Group	JCorp and Kulim are our Promoters and Substantial Shareholders	(i) Provision of non-trade inter-company advances by our Group to Kulim ⁽¹⁾	58,556 (Represents 3.6% of our Group's NA as at 31 December 2020)	73,331 (Represents 3.9% of our Group's NA as at 31 December 2021)	127,072 (Represents 6.4% of our Group's NA as at 31 December 2022)	-	-
		(ii) Provision of non-trade advances by our Group to the JCorp and its related subsidiaries (excluding Kulim)	7,956 (Represents 0.5% of our Group's NA as at 31 December 2020)	4,483 (Represents 0.2% of our Group's NA as at 31 December 2021)	12,852 (Represents 0.7% of our Group's NA as at 31 December 2022)	-	-

Note:

- (1) Prior to the consolidation of Kulim's plantation business under our Group pursuant to the Pre-Listing Restructuring, we, as a subsidiary of Kulim, provided non-trade inter-company advances to our holding company for the plantation business of Kulim group of companies.

The advances extended by our Group to the related parties above were made on an arm's length basis, whereby interests charged to them are on normal commercial terms which are not unfavourable to our Group and are comparable to those generally available to third parties, and have been fully repaid as at the LPD.

10. RELATED PARTY TRANSACTIONS (CONT'D)

10.4 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS**10.4.1 Board Audit Committee review**

Our Board Audit Committee reviews related party transactions and conflict of interest situations that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity. Our Board Audit Committee maintains and periodically reviews the adequacy of the procedures and processes set by us to monitor related party transactions and conflict of interest. It also sets the procedures and processes to ensure that transactions are carried out in our best interest, on an arm's length basis and are based on normal commercial terms which are not more favourable to the related party than those generally available to third parties and are not detrimental to the interest of our minority shareholders. Among others, the related parties and parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberation on the transactions. All reviews by our Board Audit Committee are reported to our Board for its further action.

10.4.2 Our Group's policy on related party transactions

Related party transactions by their very nature, involve conflicts of interest between our Group and the related parties with whom we enter into transactions. As disclosed in this Prospectus, some of our Directors and/or Substantial Shareholders are also directors and, in some cases, shareholders of the related parties of our Group, and with respect to these related party transactions, may individually and in aggregate have conflicts of interest. It is the policy of our Group that all related party transactions must be reviewed by our Audit Committee to ensure that they are negotiated and agreed upon in the best interest of our Company, on an arm's length basis and are based on normal commercial terms which are not more favourable to the related party than those generally available to third parties, and are not detrimental to the interest of our minority shareholders.

In addition, we adopted a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situations and intend for the framework to be guided by the Listing Requirements and MCGG upon our Listing. The procedures which may form part of the framework include, among others, the following:

- (i) our Board shall ensure that majority of our Board members are independent directors and will undertake an annual assessment of our Independent Non-Executive Directors;
- (ii) our Directors will be required to declare any direct or indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction; and
- (iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transactions to our Audit Committee for evaluation and assessment who would in turn, make a recommendation to our Board.

11. CONFLICTS OF INTEREST

11.1 INTEREST IN ENTITIES WHICH CARRY ON A SIMILAR TRADE AS OUR GROUP OR WHICH ARE OUR CUSTOMERS OR SUPPLIERS

As at the LPD, save as disclosed below, none of our Directors and Substantial Shareholders have any other interest, direct or indirect in any businesses or corporations that:

- (i) are customers or suppliers of our Group; or
- (ii) carry on a similar trade as that of our Group.

11.1.1 Interest in corporations that are customers or suppliers of our Group

JCorp, who is our Substantial Shareholder, has interests in a few companies which are/were our customers or suppliers for the Financial Years Under Review and up to the LPD, as follows:

<u>Name of customer/supplier</u>	<u>Nature of transaction</u>	<u>Nature of interest</u>
<u>Customers</u>		
<ul style="list-style-type: none"> • JCorp⁽¹⁾; • Johor Franchise Development⁽²⁾; • Johor Land⁽³⁾; • KPJ⁽⁴⁾; • Damansara Assets⁽⁵⁾; and • Ayamas⁽⁶⁾ 	(i) Provision of agency, planting advisory and agronomy services by us to JCorp and Johor Franchise Development from January 2020 until June 2020.	JCorp, who is our Promoter and Substantial Shareholder, is the holding company of Johor Franchise Development, Johor Land, KPJ and Damansara Assets.
	(ii) Provision of trading and support services to JCorp, Johor Franchise Development, Johor Land, KPJ and Damansara Assets. Please refer to Section Note 6 of Section 10.1 of this Prospectus for further information.	Ayamas is a wholly-owned subsidiary of QSR Brands (M) Holdings Bhd, a 56%-owned subsidiary of JCorp, who is our Promoter and Substantial Shareholder.
	(iii) Sale of CPO by us to Ayamas as ingredients for broiler feeds.	
<u>Suppliers</u>		
<ul style="list-style-type: none"> • JCorp⁽¹⁾; and • Johor Franchise Development⁽²⁾ 	Purchase of FFB by us from JCorp and Johor Franchise Development from January 2020 until June 2020.	JCorp, who is our Promoter and Substantial Shareholder, is also the holding company of Johor Franchise Development.

Notes:

- (1) JCorp is principally involved in investment holding activities while its subsidiaries, associated companies and joint ventures companies are principally involved in plantation and agrobusiness, healthcare and wellness services, real estate and infrastructure, quick service restaurants and investment holding.
- (2) Johor Franchise Development is an investment holding company (investing in shares), holding shares in companies within the JCorp Group that are involved in non-core business activities. As at the LPD, the subsidiaries of Johor Franchise Development are either dormant or had ceased business operation.
- (3) Johor Land is principally involved in property development, construction and investment holding.
- (4) KPJ is an investment holding company while its subsidiaries are mainly involved in the operation of specialist hospitals.

11. CONFLICTS OF INTEREST (CONT'D)

- (5) Damansara Assets is an investment holding company.
- (6) Ayamas is principally involved in breeding, broiler farms/hatchery, feedmill and investment holding.

Our Board is of the view that any potential conflict of interest situation that may arise as a result of the interests of JCorp in these companies, which were our customers and/or suppliers during the Financial Years Under Review, has been mitigated or eliminated as follows:

- (i) the companies are not involved in the plantation business as well as the production of palm oil products and are not in competition with our business and operations;
- (ii) the above transactions were carried out on an arm's length basis and on normal commercial terms which are not unfavourable to our Group and are comparable to those generally available to third parties. The sale of CPO, purchase of FFB, provision of trading and support services as well as provision administrative and secretarial services were transacted at pricing which were comparable against contemporaneous transactions with unrelated third parties for similar products/services;
- (iii) JCorp, Johor Franchise Development, Johor Land, KPJ, Damansara Assets and Ayamas were not our major customers, and we are not dependent on them for revenue. These customers collectively contributed approximately 1.1%, 0.7%, 0.4% and 0.3% to our revenue for the Financial Years Under Review respectively; and
- (iv) insofar as our purchase of FFB from JCorp and Johor Franchise Development is concerned, JCorp and Johor Franchise Development were only our major suppliers for the FYE 2020, and we were not dependent on them for the purchase of FFB during the Financial Years Under Review. These suppliers collectively contributed approximately 6.8% of our Group's purchases for the FYE 2020.

As disclosed in Section 10.1 of this Prospectus, we used to purchase FFB harvested from Tunjuk Laut Estate and Bukit Payung Estate (which are owned by JCorp) as well as from Bukit Kelompok Estate and Pasir Logok Estate (which were beneficially owned by Johor Franchise Development previously before such beneficial ownership was transferred to JCorp following an internal reorganisation). We have ceased purchasing FFB from these related parties since the execution of the Tenancy Agreement to rent the Malay Reserved Estates from JCorp from July 2020 onwards for the operation of the oil palm plantation. As at the LPD, none of our Directors and Substantial Shareholders have any interest, direct or indirect, in any businesses or corporations that are suppliers of our Group.

Upon our Listing, our Board Audit Committee will assess the financial risk and matters relating to any potential conflict of interest situation that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity, to ensure that transactions are carried out in the best interest of our Group. Any future dealings with customers and/or suppliers in which our Directors or Substantial Shareholders have interest, direct or indirect, will be based on established procedures for related party transactions to ensure that they are carried out on an arm's length basis.

11.1.2 Interest in corporations that carry on similar trade as that of our Group

None of our Substantial Shareholders, Directors or Key Senior Management have any interest in corporations that carry on similar trade as that of our Group save and except for insubstantial shareholding interests held by our Directors as personal investments in the shares of public companies listed on Bursa Securities.

11. CONFLICTS OF INTEREST (CONT'D)

11.2 DECLARATIONS BY ADVISERS ON CONFLICTS OF INTEREST

11.2.1 Declaration by RHB Investment Bank

RHB Investment Bank and its related and associated companies (collectively, the “**RHB Banking Group**”) engage in private banking, commercial banking and investment banking transactions which include, among others, brokerage, advisory on mergers and acquisitions, securities trading, assets and fund management as well as credit transaction services. The RHB Banking Group has engaged and may in the future engage in transactions with and perform services for our Group, in addition to the roles set out in this Prospectus.

In addition, any member of the RHB Banking Group may at any time, in the ordinary course of business, offer to provide its services or to engage in any transaction (on its own account or otherwise) with any member of our Group, our Directors, our shareholders, our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates. This is a result of the businesses of the RHB Banking Group generally acting independently of each other and accordingly there may be situations where parts of the RHB Banking Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of our Group. The related companies of RHB Investment Bank may also subscribe for our IPO Shares to be offered under the Institutional Offering.

As at the LPD, the RHB Banking Group has extended credit facility with a limit of approximately RM459.0 million to our Group. The extension of the said credit facility is in the ordinary course of business of the RHB Banking Group. We will partly repay the borrowings owing to the RHB Banking Group with the gross proceeds to be raised from the Public Issue.

Notwithstanding the above, RHB Investment Bank is of the view that the abovementioned does not give rise to a conflict of interest situation in its capacity as the Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Managing Underwriter and Joint Underwriter for our IPO due to the following reasons:

- (i) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser, Joint Global Coordinator, Managing Underwriter and Joint Underwriter is in the ordinary course of its business. RHB Investment Bank does not receive or derive any financial interest or benefit save for the professional fees, underwriting commission and placement fees received in relation to the aforesaid appointment;
- (ii) the Corporate Finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations. In any event, the team overseeing our IPO in RHB Investment Bank is independent from the team handling the credit facility. Further, there is no involvement by the Corporate Finance division of RHB Investment Bank in respect of any credit application process undertaken by other departments within RHB Banking Group;
- (iii) the credit facility was provided by the RHB Banking Group on an arm’s length basis and in its ordinary course of business, and the said credit facility is not material when compared to the audited NA of the RHB Banking Group as at 31 December 2023 of approximately RM30.9 billion (representing approximately 1.5% of the RHB Banking Group’s audited NA); and

11. CONFLICTS OF INTEREST (CONT'D)

- (iv) the conduct of the RHB Banking Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013, CMSA and the RHB Banking Group's own internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

RHB Investment Bank confirms that there is no conflict of interest in its capacity as the Principal Adviser, Joint Global Coordinator, Managing Underwriter and Joint Underwriter for our IPO.

11.2.2 Declaration by CLSA

In the ordinary course of business, CLSA and/or its affiliated companies (collectively, the "**CLSA Group**"), may engage in transactions with and perform services for our Company and/or our affiliates. Subject to the laws and regulations in the relevant jurisdictions, members of the CLSA Group engage in investment banking transactions including, without limitation, corporate finance, mergers and acquisitions, merchant banking, equity and fixed income sales, trading and research, derivatives, foreign exchange, futures, asset management, custody, clearance and securities lending in their ordinary course of business with our Company and/or our affiliates. Further, and subject to the laws and regulations in the relevant jurisdictions, any member of the CLSA Group may at any time offer or provide its services to, or engage in any transactions (on its own account or otherwise) with our Company and/or our affiliates, hold long or short positions, and may trade or otherwise effect transactions for its own account or the accounts of its other customers in debt or equity securities or senior loans of our Company and/or our affiliates. Save for our IPO, CLSA does not have any other existing business relationship with us as at the LPD.

CLSA confirms that there is no conflict of interest in its capacity as Joint Global Coordinator and Joint Bookrunner for our IPO.

11.2.3 Declaration by AmInvestment Bank

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad. AMMB Holdings Berhad and its group of companies (collectively, the "**AmBank Group**") form a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. AmBank Group's securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

In the ordinary course of their businesses, any member of AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of our Group.

As at the LPD, the AmBank Group has not extended any credit facility to our Group. However, the AmBank Group has, in the ordinary course of its banking business, extended credit facilities to the JCorp Group with a combined limit of approximately RM1.0 billion, of which approximately RM0.3 billion is outstanding as at the LPD. AmInvestment Bank has been appointed as the Joint Lead Manager for the Proposed Sukuk Programme.

Notwithstanding this, AmInvestment Bank is of the view that its role as the Joint Lead Manager for the Proposed Sukuk Programme does not result in a conflict of interest or potential conflict of interest situation in respect of its capacity to act as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO due to the following reasons:

11. CONFLICTS OF INTEREST (CONT'D)

- (i) the AmBank Group forms a diversified financial group and is engaged in a wide range of transactions as highlighted above. AmInvestment Bank is a licensed investment bank and its appointment as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO is in its ordinary course of business. AmInvestment Bank does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO as well as the Joint Lead Manager for the Proposed Sukuk Programme;
- (ii) each of the entities and departments of the AmBank Group are also subject to internal control and checks, which regulate the sharing of information between entities and departments. Additionally, each department and entities within the AmBank Group has separate and distinct operations and decisions are made independent of each other. In addition, the conduct of AmInvestment Bank is regulated by Bank Negara Malaysia; and
- (iii) the credit facilities were provided by the AmBank Group on an arm's length basis and in its ordinary course of business, and the said credit facilities represented approximately 5.5% of the AmBank Group's audited NA of approximately RM18.1 billion as at 31 March 2023.

AmInvestment Bank confirms that there is no conflict of interest in its capacity as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

11.2.4 Declaration by CIMB IB

CIMB IB, its affiliated, related and associated companies, as well as its holding company, CIMB Group Holdings Berhad, and the subsidiaries and associated companies of its holding company (collectively, the "**CIMB Group**") form a diversified financial group and are engaged in a wide range of businesses relating to among others, retail banking, investment banking, commercial banking, brokerage, securities trading, asset and funds management and credit transaction services business. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to CIMB IB's role as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with our Company and/or our affiliates or any other entity or person, hold long or short positions in securities issued by our Company or any of our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Company and/or our affiliates. This is a result of the business of the CIMB Group generally acting independent of each other, and accordingly, there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Company and/or our affiliates.

As at the LPD, the CIMB Group has, as part of its ordinary course of business, on an arm's length basis granted various credit facilities (in the form of term loan, Islamic financing and trade lines) with combined limits of up to an aggregate amount of approximately RM2.1 billion to the JCorp Group (including Kulim and JPG). The CIMB Group has extended credit facility with a limit of approximately RM1.0 billion to our Group, of which approximately RM0.9 billion is outstanding as at the LPD. We will partly repay the borrowings owing by our Group to the CIMB Group with the gross proceeds to be raised from the Public Issue. CIMB IB has also been appointed as the Joint Lead Arranger and Joint Lead Manager for the Proposed Sukuk Programme.

Notwithstanding the above, CIMB IB is of the view that the abovementioned as well as its roles as the Joint Lead Arranger and Joint Lead Manager for the Proposed Sukuk Programme do not result in a conflict of interest or potential conflict of interest situation in respect of its capacity to act as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO due to the following:

11. CONFLICTS OF INTEREST (CONT'D)

- (i) the CIMB Group is a licensed financial institution and the extension of credit facilities to our Group, the JCorp Group arose in the ordinary course of business of the CIMB Group;
- (ii) the total credit facilities granted by the CIMB Group to the JCorp Group are not material when compared to the audited NA of the CIMB Group as at 31 December 2023 of RM68.3 billion (representing approximately 3.1% of the CIMB Group's audited NA as at 31 December 2023);
- (iii) the CIMB Group's banking business is strictly regulated by, among others, the Financial Services Act 2013, Islamic Financial Services Act 2013 and CMSA and the CIMB Group's own internal controls and checks, among others, the segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees;
- (iv) CIMB IB is a licensed investment bank and its appointment as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO is in the ordinary course of its business and CIMB IB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO as well as the Joint Lead Arranger and Joint Lead Manager for the Proposed Sukuk Programme; and
- (v) the relevant divisions of CIMB IB are required under CIMB IB's investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia. These guidelines require, among others, the establishment of "Chinese Wall" policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations.

CIMB IB confirms that there is no conflict of interest situation in its capacity as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

11.2.5 Declaration by Affin Hwang IB

Affin Bank Berhad (the holding company of Affin Hwang IB) and its related and associated companies (collectively, the "**Affin Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, trustee and credit transaction services businesses. In addition, in the ordinary course of business, any member of the Affin Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of the JCorp Group, hold long or short positions in securities issued by the JCorp Group, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of any members of the JCorp Group.

As at the LPD, the Affin Group has not extended any credit facility to our Group. However, the Affin Group has, in the ordinary course of its banking business, extended credit facilities to the JCorp Group with a combined limit of approximately RM1.1 billion, of which approximately RM0.6 billion is outstanding as at the LPD. Further, Affin Hwang IB has also been appointed as the Joint Lead Manager for the Proposed Sukuk Programme.

Notwithstanding this, Affin Hwang IB is of the view that the abovementioned does not result in a conflict of interest or potential conflict of interest situation in respect of its capacity to act as the Joint Bookrunner and Joint Underwriter for our IPO due to the following:

- (i) Affin Hwang IB is a licensed investment bank and its appointment as the Joint Bookrunner and Joint Underwriter for our IPO is in the ordinary course of its business. Affin Hwang IB does not have any interest in our IPO other than as the Joint Bookrunner and Joint Underwriter based on the terms of engagement which are mutually agreed between both parties. Further, Affin Hwang IB does not receive or derive any financial interest or benefit, save for the professional fees received in relation to its appointment as the Joint Bookrunner and Joint Underwriter for our IPO as well as the Joint Lead Manager for the Proposed Sukuk Programme;

11. CONFLICTS OF INTEREST (CONT'D)

- (ii) the conduct of Affin Hwang IB's business is regulated by the Financial Services Act 2013 and the CMSA as well as its own internal controls and checks;
- (iii) the relevant divisions of Affin Hwang IB is required under its investment banking licence to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and
- (iv) the credit facilities were provided by the Affin Group on an arm's length basis and in its ordinary course of business, and the said credit facilities represented approximately 9.9% of the Affin Group's audited NA of approximately RM11.1 billion as at 31 December 2023.

Affin Hwang IB confirms that there is no conflict of interest in its capacity as the Joint Bookrunner and Joint Underwriter for our IPO.

11.2.6 Declaration by KPMG PLT

KPMG PLT confirms that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants in respect of our IPO.

11.2.7 Declaration by Mah-Kamariyah & Philip Koh

Mah-Kamariyah & Philip Koh confirms that there is no conflict of interest in its capacity as the legal adviser to our Company as to Malaysian law in respect of our IPO.

11.2.8 Declaration by Latham & Watkins LLP

Latham & Watkins LLP confirms that there is no conflict of interest in its capacity as the legal adviser to our Company as to United States federal securities law and English law in respect of our IPO.

11.2.9 Declaration by Christopher & Lee Ong

Christopher & Lee Ong confirms that there is no conflict of interest in its capacity as the legal adviser to the Joint Global Coordinators, Joint Bookrunners, Managing Underwriter and Joint Underwriters as to Malaysian law in respect of our IPO.

11.2.10 Declaration by Linklaters Singapore Pte Ltd

Linklaters Singapore Pte Ltd confirms that there is no conflict of interest in its capacity as the legal adviser to the Joint Global Coordinators and Joint Bookrunners as to United States federal securities law and English law in respect of our IPO.

11.2.11 Declaration by Glenauk Economics Sdn Bhd

Glenauk Economics Sdn Bhd confirms that there is no conflict of interest in its capacity as the Independent Market Researcher in respect our IPO.

12. FINANCIAL INFORMATION

12.1 HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The historical financial information presented below has been derived from our consolidated financial statements contained in the Accountants' Report included in Section 13 of this Prospectus. Our consolidated statements are prepared in accordance with the MFRS and IFRS. This historical financial information presented below should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" as set out in Section 12.3 of this Prospectus as well as our historical consolidated financial statements and the accompanying notes as set out in the Accountants' Report in Section 13 of this Prospectus.

Although we only completed our Pre-Listing Restructuring on 1 December 2022, our historical financial information is presented based on our consolidated financial statements as if our Group structure has been in existence throughout the Financial Years Under Review. Business combinations arising from the transfer of interest in entities or transfer of businesses in entities that are under the control of the shareholder that controls our Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented and, for the purpose of the Accountants' Report, the comparatives are restated.

The assets and liabilities acquired are recognised at the carrying amounts recognised previously in financial statements of our Group's controlling shareholder. The components of equity of the acquired entities are added to the same components within our Group's equity and any resulting gain or loss is recognised directly in equity. The surplus or deficit in respect of the consideration paid over the aggregated amounts of assets and liabilities of the acquired businesses as of the date of the common control transaction is recognised in our Group's and Company's equity.

The historical financial information included in this Prospectus is not necessarily indicative of our future operating performance or financial condition.

12.1.1 Historical consolidated statements of profit and loss and other comprehensive income

The summary of our historical consolidated statements of profit and loss and other comprehensive income for the Financial Years Under Review is set out below:

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Revenue	1,020,759	1,549,235	1,751,645	1,253,445
Cost of sales	(735,780)	(921,487)	(981,698)	(890,392)
GP	284,979	627,748	769,947	363,053
Other income	23,721	30,934	10,961	15,019
Administrative expenses	(99,009)	(99,619)	(126,604)	(99,127)
Other operating expenses	(5,419)	(3,785)	(16,689)	(4,216)
Results from operating activities	204,272	555,278	637,615	274,729
Finance income	2,843	2,213	4,643	2,783
Finance costs	(89,504)	(68,943)	(73,138)	(90,592)
PBT	117,611	488,548	569,120	186,920
Tax expense	(62,710)	(139,877)	(67,554)	(19,425)
Zakat	(2,595)	(4,055)	(6,202)	(1,770)
PAT	52,306	344,616	495,364	165,725
PAT attributable to:				
Owners of our Group	52,501	344,796	495,592	167,306
Non-controlling interest	(195)	(180)	(228)	(1,581)
	52,306	344,616	495,364	165,725

12. FINANCIAL INFORMATION (CONT'D)

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Other selected financial data:				
GP margin ⁽¹⁾ (%)	27.9	40.5	44.0	29.0
PBT margin ⁽²⁾ (%)	11.5	31.5	32.5	14.9
PAT margin ⁽³⁾ (%)	5.1	22.3	28.3	13.3
EBITDA ⁽⁴⁾	311,761	662,621	744,789	385,038
EBITDA margin ⁽⁵⁾ (%)	30.5	42.8	42.5	30.7
Basic and diluted EPS ⁽⁶⁾ (sen)	2.1	13.8	19.8	6.7
Number of Shares in issue after our IPO ('000)	2,500,000	2,500,000	2,500,000	2,500,000

Notes:

- (1) Computed as GP divided by revenue.
- (2) Computed as PBT divided by revenue.
- (3) Computed as PAT attributable to owners of our Group divided by revenue.
- (4) Computed as follows:

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
PAT attributable to owners of our Group	52,501	344,796	495,592	167,306
Add:				
Zakat	2,595	4,055	6,202	1,770
Tax expense	62,710	139,877	67,554	19,425
Depreciation and amortisation	107,294	107,163	106,946	108,728
Finance costs	89,504	68,943	73,138	90,592
Less: Finance income	(2,843)	(2,213)	(4,643)	(2,783)
EBITDA	311,761	662,621	744,789	385,038

EBITDA and EBITDA margin are supplemental measures of our performance and liquidity that are not required by or presented in accordance with MFRS or IFRS. EBITDA and EBITDA margin should not be considered as an alternative to profit and total comprehensive income for the year or any other performance measures derived in accordance with MFRS or IFRS or as an alternative to cash flows from operating activities or as a measure of liquidity. In addition, EBITDA and EBITDA margin are not standardised terms, and hence, a direct comparison of similarly titled measures between companies may not be possible. Other companies may calculate EBITDA and EBITDA margin differently from us, which limits its usefulness as a comparative measure.

- (5) Computed as EBITDA divided by revenue.
- (6) Computed as PAT attributable to owners of our Group divided by the enlarged total number of 2,500,000,000 Shares after our IPO.

12. FINANCIAL INFORMATION (CONT'D)**12.1.2 Historical consolidated statements of financial position**

The summary of our historical consolidated statements of financial position for the Financial Years Under Review is set out below:

	<-----Audited----->			
	31 December 2020 (RM'000)	31 December 2021 (RM'000)	31 December 2022 (RM'000)	31 December 2023 (RM'000)
Property, plant and equipment	2,424,139	2,438,257	2,461,941	2,540,077
Right-of-use assets	1,659,438	1,629,679	1,601,797	1,684,305
Intangible assets	749	627	627	-
Trade and other receivables	64,114	63,972	63,975	-
Total non-current assets	4,148,440	4,132,535	4,128,340	4,224,382
Biological assets	19,148	39,465	22,713	25,192
Inventories	18,484	21,666	66,690	29,892
Trade and other receivables	109,506	165,055	185,105	56,234
Current tax assets	1,026	1,074	23,881	72,864
Other investments	27,215	27,588	25,954	26,382
Cash and cash equivalents	156,519	198,320	25,453	140,688
	331,898	453,168	349,796	351,252
Assets classified as held for sale ⁽¹⁾	-	-	-	6,765
Total current assets	331,898	453,168	349,796	358,017
Total assets	4,480,338	4,585,703	4,478,136	4,582,399
Share capital	36,432	36,432	1,329,363	1,502,000
Invested equity	46,572	46,572	-	-
Other reserves	611,066	696,066	(617,202)	(617,202)
Retained earnings	949,353	1,094,149	1,263,629	1,358,942
Equity attributable to owners of our Group	1,643,423	1,873,219	1,975,790	2,243,740
Non-controlling interests	235	730	502	15
Total equity	1,643,658	1,873,949	1,976,292	2,243,755
Trade and other payables	-	-	101,200	-
Deferred tax liabilities	574,414	585,846	461,590	457,710
Borrowings	1,900,440	1,762,983	1,587,209	1,413,744
Employee benefits	8,517	8,080	6,666	10,780
Lease liabilities	1,129	1,035	682	102,972
Total non-current liabilities	2,484,500	2,357,944	2,157,347	1,985,206
Trade and other payables	188,383	205,259	148,773	135,682
Borrowings	141,622	115,647	180,351	213,473
Derivative financial liability	3,788	-	-	-
Lease liabilities	923	1,238	736	4,283
Current tax liabilities	17,464	31,666	14,637	-
Total current liabilities	352,180	353,810	344,497	353,438
Total liabilities	2,836,680	2,711,754	2,501,844	2,338,644
Total equity and liabilities	4,480,338	4,585,703	4,478,136	4,582,399

12. FINANCIAL INFORMATION (CONT'D)**Note:**

- (1) As at 31 December 2023, we have classified approximately 62 Ha of Sedenak Estate and 3 Ha of Rengam Estate as assets to be held for sale to the JCorp Group for future property development in 2024. The sale of lands is not expected have any material impact to our business operations and financial performance as the land area is not material to our Group which represented approximately 0.1% of our total landbank as at the LPD. As at the LPD, we have not entered into any agreement with the JCorp Group for the said sale of lands.

12.2 CAPITALISATION AND INDEBTEDNESS

The following table sets out our capitalisation and long-term indebtedness as at 30 April 2024, and after adjusting for the Public Issue and the use of proceeds:

	Unaudited as at 30 April 2024 (RM'000)	After the Public Issue and use of proceeds (RM'000)
Indebtedness		
<u>Current</u>		
Unsecured and unguaranteed		
• Lease liabilities	4,169	4,169
• Revolving credit	2,000	2,000
Secured and unguaranteed		
• Term loans	202,907	202,907
• Hire purchase liabilities	13	13
	<u>209,089</u>	<u>209,089</u>
<u>Non-current</u>		
Unsecured and unguaranteed		
• Lease liabilities	101,730	101,730
Secured and unguaranteed		
• Term loans	1,370,902	1,203,462
	<u>1,472,632</u>	<u>1,305,192</u>
Total indebtedness	<u>1,681,721</u>	<u>1,514,281</u>
Total capitalisation/shareholders' equity	2,310,507	2,688,783
Total capitalisation and indebtedness	3,992,228	4,203,064
Gearing ratio ⁽¹⁾ (times)	0.7	0.6

Note:

- (1) Computed as total indebtedness divided by the shareholders' equity.

12.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of our financial condition and results of operations during the Financial Years Under Review should be read in conjunction with the Accountants' Report and the accompanying notes as set out in Section 13 of this Prospectus.

12. FINANCIAL INFORMATION (CONT'D)

This discussion and analysis contain financial information derived from our audited consolidated financial statements as well as forward-looking statements that involve risks, uncertainties and assumptions, particularly the risk factors as set out in Section 9 of this Prospectus. Our future results may differ significantly from those forward-looking statements contained in this Prospectus due to these risks, uncertainties and assumptions.

12.3.1 Significant factors affecting our financial condition and results of operations

Our financial condition and results of operations have been, and are expected to be affected by a number of factors, including those set out below:

(i) Global vegetable oil price trends

Since there is substantial substitution between different vegetable oils, such as soybean, rapeseed and sunflower based on price, supply and demand changes in the global vegetable oil market have a significant impact on our financial performance because they affect the selling prices of our products, which in turn affects our revenue. The prices of the CPO and PK that we sell are generally influenced by the prices of crude petroleum oil and substitute vegetable oils, such as soybean, rapeseed and sunflower oils (in the case of CPO) and crude coconut oil (in the case of PK).

Commodities prices also affect the future prices of CPO and PK quoted internationally and locally by MPOB. We typically price our CPO and PK with reference to the price quoted by MPOB, but at higher prices because our CPO and PK meets the RSPO certification standards and can be sold as RSPO-certified products, which are in short supply in the market relative to demand.

Prices of commodities such as CPO and alternatives such as soybean, rapeseed and sunflower are highly volatile and are generally affected by, among others, global and regional supply and demand, weather conditions, government policies, foreign exchange rates, shifts in consumption patterns among consumers, the availability and price of substitute commodities and other circumstances over which we do not have any control.

Commodity prices also affect the fair value of our biological assets, namely the FFB harvested from our plantation estates. We determine the fair value of our biological assets in accordance with MFRS 141 "Agriculture" based on the estimated amount of FFB that can be produced from our oil palms over a 2-week period from the measuring date (based on the oil content of the unripe FFB) and the net present value of the cash flows that such FFB can generate (based on estimates of the amount of CPO that such FFB can yield and current market prices of CPO and alternatives). Changes in the fair value of our biological assets, less estimated selling costs, are included in our other income or other operating expenses, depending on whether they result in a gain or a loss during the relevant year. The changes in the fair value of our biological assets that we recognise as gains and losses can be significant and cause our results to vary substantially from year to year.

(ii) Land bank utilisation, oil palm harvesting and FFB yields

Our results of operations depend on our ability to maximise the efficient use of our land bank and the amount of FFB that we produce from our oil palm estates. We produce RSPO-certified FFB on all of our 23 oil palm estates that we own or rent, while we purchase non-certified FFB from our managed estates. Substantially all of the FFB that we produced is used in our own POMs to produce CPO and PK that meet RSPO certification standards and can be sold as RSPO-certified products. The FFB from our oil palm estates accounts for a large proportion of the total FFB that our POMs process because of the limited supply of RSPO-certified FFB that is available for purchase from third parties. When we are able to maintain high levels of land bank utilisation and manage our oil palm estates productively and efficiently, we are able to achieve higher FFB yields, which in turn allows us to produce and sell more CPO and PK, thereby increasing our revenues.

12. FINANCIAL INFORMATION (CONT'D)

The performance of our oil palm plantations, as measured by FFB yield, depends on various factors such as the quality of the oil palm seed, soil, climate, plantation management as well as our efficiency in harvesting, processing and milling of the FFB. To maintain consistent revenue performance and growth, we need to maintain and increase our FFB yields each year. This depends on our ability to effectively manage the maturity profile of our oil palms and to maintain an effective replanting program that replaces old oil palms with new seedlings that produce higher yielding oil palms upon maturity.

(iii) Costs and availability of labour

A significant portion of our expenses consists of labour costs which we incur as cost of sales and operating expenses. Therefore, our ability to effectively manage our labour costs and fluctuations in the cost of labour can have a significant effect on our costs, profitability and margins.

Our labour costs are determined by the number of plantation workers employed, current minimum wage levels and the availability of labour in the market with the required skill sets. We rely to a significant extent on foreign workers, primarily from Indonesia and Bangladesh, for our plantation operations. As such, our results of operations are exposed to fluctuations in labour costs, as well as changes to government policies on employment of foreign labour in Malaysia and on worker emigration from Indonesia, Bangladesh and other countries where we hire foreign workers from, which are beyond our control.

Our ability to efficiently harvest our oil palms and our FFB production volume depends on our ability to hire and retain skilled workers at our plantation estates for the nurturing of seedlings, palm planting, manuring, harvesting and other maintenance work. It is crucial to retain our skilled workers because training new workers typically takes about 3 months before they are able to perform at a standard which can achieve our targeted yields for FFB harvesting.

(iv) Weather conditions

Weather conditions are a key determinant of fluctuations in our FFB yields, which in turn affects our CPO and PK production and our revenue. Oil palms generally require even rainfall distribution, moderate temperatures and consistent sunny days in order to produce fruitful harvests and maximise FFB yields. Conversely, our FFB yields could be adversely affected by extreme weather patterns such as prolonged dry or wet conditions. A dry spell could induce moisture stress in oil palms and reduce production depending on the severity of the drought, while prolonged wet conditions could disrupt pollination, harvesting and transportation. We generally expect to observe the impact of weather conditions on our FFB yields beginning approximately 5 to 6 months after the weather conditions occur.

We experienced extremely low rainfall during the 1st half of 2019, which adversely impacted FFB production over the next 24 months. The prolonged dry conditions induced moisture stress in the oil palms, which led to reduced production because a higher percentage of FFB was not suitable for processing and also led to declining FFB yield during the 1st quarter of 2021 once those palms matured. We also had dry weather conditions during 2021, which led to less fruitful FFB harvests especially in young-mature fields. There was also hot dry weather in 2019, which led to a higher percentage of FFB being unsuitable for processing. These weather conditions in 2019 contributed to our lower FFB yields for the FYE 2021 as compared to the FYE 2020. In contrast, we experienced favourable weather conditions in the first 3 quarters of 2022, which is expected to improve FFB yields in future harvests.

Severely adverse weather conditions can have an immediate negative impact on FFB yields if they damage the FFB that was ready for harvesting at the time of the weather event. For example, we experienced severe flooding in March 2023, which caused lower FFB production by damaging the FFB that was ready for harvest, restricting travel to and from our plantation estates and preventing workers from accessing the oil palms.

12. FINANCIAL INFORMATION (CONT'D)

Weather conditions also affect global CPO and PK prices, which in turn affect our selling prices. There have been 3 price rallies since 1990 caused by strong El Niño weather events in 1995, 2009 and 2019. Those El Niño events saw widespread droughts in Southeast Asia, which led to lower FFB yields and reduced CPO and PK supply, thereby increasing CPO and PK prices.

(v) Capital expenditures

During the Financial Years Under Review, our capital expenditures were focused on oil palm planting costs and upgrading our POMs. We fund our capital expenditure requirements using our internally generated funds (which includes our cash and cash equivalents and cash generated from operations), external financing, bank borrowings and part of the net proceeds from the Public Issue. Our ability to expand our business operations has been largely dependent upon, and will continue to depend upon, our ability to finance these activities. Our actual capital expenditures may vary from our projected amounts due to various factors, including changes in market conditions, our ability to generate sufficient cash flows from operations and our ability to obtain adequate financing for these planned capital expenditures.

(vi) Changes in customer trends

The shift in consumer preferences towards higher quality, sustainably produced CPO has translated to strong demand for our CPO and PK. Our products are produced to RSPO standards and marketable in Europe and other international markets where there is greater focus on the health impact of food consumables and sustainably produced food products.

In this respect, we believe that our focus on production of RSPO-certified palm oil products has had and will continue to have a positive influence on demand for our products, our selling prices and our revenue. Our revenue is determined in part by the extent to which we are able to keep abreast of consumer trends and implementing appropriate business strategies to maintain product demand.

(vii) Government regulations

Our financial performance, like the performance of other commodities producers, depends, in part, on government taxes, levies and regulations that affect the sale and export of our products. Higher taxes and levies affect our results of operations by increasing our operating costs and expenses, which adversely affects our operating profit, margins and profitability. The Government imposes a windfall profit levy on all Malaysian oil palm plantations that exceed 40.6 Ha in size. The windfall levy was set at a rate of 3% on palm oil prices above a threshold of RM3,000 per MT in Peninsular Malaysia for the FYE 2022 and FYE 2023, and RM2,500 per MT for the FYE 2020 and FYE 2021. Windfall profit levy accounted for 2.3%, 6.7%, 6.7% and 4.8% of our total plantation estate costs for the Financial Years Under Review respectively. Windfall profit levy also contributes to quarterly fluctuations in our results of operations due to the timing of our levy payments. For example, windfall profit levy accounted for 6.7% of our plantation estate costs for the FYE 2022 as compared to 2.8% of our plantation estate costs for the FYE 2023.

We are also required to make cess payments of RM16 per MT of CPO to MPOB. The cess level was most recently increased from RM14 per MT to its current level in 2021. In addition, exports of CPO from Malaysia are currently subject to an export duty that is imposed on a graduated scale, calculated in RM per MT beginning at 3.0% for CPO sold at RM2,250 per MT up to 8.0% for CPO sold at RM3,450 per MT or more.

In addition to regulations by the Government, import tariffs and taxes imposed by importing countries on products, we or our downstream customers export can affect demand for our products relative to palm oil products sourced from other countries and other vegetable oil alternatives. A lower tax rate on the competing substitute products can adversely affect our selling prices, revenue, margins and profitability.

12. FINANCIAL INFORMATION (CONT'D)**(viii) Interest rate fluctuation**

Our financial performance may be affected by changes in the prevailing interest rates in the financial market as a portion of our borrowings comprises floating rate borrowings. As at 31 December 2023, we had total borrowings (excluding lease liabilities) of approximately RM1.6 billion, of which 99.9% is based on floating interest rates. A substantial increase in interest rates will increase our finance costs.

(ix) COVID-19 and other outbreaks of infectious or virulent diseases

An outbreak of infectious or virulent diseases, such as COVID-19, may have a material adverse effect on the Malaysian and global economy, our industry, and our financial performance. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases, or if a significant portion of our workforce is unable to or refuse to work for fear of contracting an infectious disease, our Group, our suppliers and/or customers may be required to scale back or shutdown operations for a period of time.

Due to the outbreak of the COVID-19 pandemic in 2020, the Government had implemented various measures and restrictions on the conduct of activities, including quarantine measures, restrictions on the movement of persons and closure of borders, to contain the spread of the virus. These actions were eased and tightened during the course of 2020 and 2021 as the extent of the COVID-19 pandemic had been fluctuating.

The MCO period had no material impact on our operations. As oil palm sector was classified under “essential services” sector, our operations were not disrupted and we were allowed to operate while complying with certain mandatory operating procedures (such as reduced workforce capacity) outlined by MITI during the MCO period from 18 March 2020 to 3 May 2020. Since June 2021, we were allowed to operate by complying with the general operating procedures issued by the Government.

In 2020, the implementation of the MCO by the Government in response to the COVID-19 pandemic prevented new intakes of foreign workers starting from 18 March 2020. In response, we implemented various strategies to overcome the resulting labour shortage. As a result, we were able to manage the foreign labour shortfall and achieve a moderate increase in yield per Ha to 22.9 MT during the FYE 2020 from 21.7 MT recorded in the previous year.

In 2021, the continuing effects of the COVID-19 pandemic, namely a prolonged freeze in new recruitment of foreign workers and continuous attrition of experienced workers returning to their home countries, resulted in an unprecedented acute shortage of labour. In Malaysia, supply of labour was constrained as well, especially in the plantation industry. Given that our overall manpower constraints in these conditions, we allocated more of our estate workers to harvesting. This resulted in fewer workers and some collateral delays in upkeep and maintenance of our estates. FFB production during the year was significantly impacted by extremely low rainfall during the 1st half of 2019, which led to declining FFB yield in the first quarter of 2021. In addition, the crop of oil palm seedlings in 2019 (which would affect production in 2021) produced lower than expected yields. There was also hot dry weather in 2019, which led to a higher percentage of FFB not being suitable for processing.

In 2022, the acute labour shortage continued as a result of the prolonged freeze of new recruitment of foreign workers. On 1 April 2022, Malaysia’s national borders were reopened to allow new intake of foreign workers and we have since recruited new workers from Indonesia.

Since January 2023 and up to the LPD, COVID-19 related travel restrictions abated and the sourcing of foreign workers began to normalise.

12. FINANCIAL INFORMATION (CONT'D)

12.3.2 Results of operations

Our results of operations are discussed and analysed below by components of our consolidated statements of profit or loss and other comprehensive income.

(i) Revenue

Our revenue is derived primarily from the sale of palm oil products, namely CPO, PK and FFB, and all of our operations are located in Malaysia.

During the Financial Years Under Review, the sale of CPO accounted for the largest portion of our revenue from our plantation segment at approximately 85.4%, 84.5%, 84.9% and 86.0% respectively. This was followed by the sale of PK which accounted for approximately 12.7%, 14.1%, 13.8% and 12.9% of our revenue for the Financial Years Under Review respectively.

Prior to the FYE 2022, we generated an insignificant percentage of our revenue from the sale of FFB to third parties from time to time, depending on market conditions. Sale of FFB accounted for the smallest portion of our revenue from our plantation segment at 0.7% and 0.3% of our revenue for the FYE 2020 and FYE 2021 respectively. During the FYE 2022 and FYE 2023, we did not generate any revenue from the sale of FFB. This reflects our current strategy to use all of our available FFB for our own production of CPO and PK.

We believe that we have an advantage in terms of pricing because our plantation operations are RSPO-certified and all of our POMs have RSPO certification. RSPO certification is recognised as a global benchmark for sustainability in the plantation industry. Customers are increasingly demanding sustainable products and practices from suppliers, while the number of RSPO-certified producers and the amount of available RSPO-certified palm oil products are currently still limited. Due to these market dynamics, the RSPO-certified CPO and PK that we produce generally attracts premium prices. During the Financial Years/Period Under Review, we sold our RSPO-certified CPO and PK at higher prices than those quoted by MPOB.

Besides our plantation operations, we also generate revenue from trading and support services. We generate this revenue from complementary activities consisting of trading of agricultural machinery and parts, sales of palm nursery and plantation related products, and providing training and safety-related services, and supply of safety products.

We began generating revenue from our new renewable energy business segment during the FYE 2023, whereby we sold the biomethane produced at our Sedenak POM to Gas Malaysia Green Ventures since August 2023. However, operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident, as disclosed in Section 7.18.4 of this Prospectus. Restoration works were completed in May 2024 and we have since resumed operations at the said plant.

We are committed to exploring and investing in renewable energy sources. In this regard, we have ventured into the production and sale of biomethane, which is produced from palm oil mill effluent, a waste product generated during the production of CPO and PK. Biomethane is a purified form of biogas and can be used as a cleaner and more sustainable substitute for natural gas. In order to facilitate the sale of our biomethane, we have entered into gas purchase agreements with Gas Malaysia Green Ventures, which ensures that we have a reliable and consistent market for our biomethane. The revenue from our renewable energy business segment is recognised at point in time when the biomethane is delivered and transferred to Gas Malaysia Green Ventures.

12. FINANCIAL INFORMATION (CONT'D)

The breakdown of our revenue during the Financial Years Under Review is set out below:

	-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
CPO	872,185	85.4	1,308,543	84.5	1,486,584	84.9	1,078,339	86.0
PK	129,552	12.7	219,089	14.1	242,449	13.8	161,548	12.9
FFB	6,978	0.7	3,945	0.3	-	-	-	-
	<u>1,008,715</u>	<u>98.8</u>	<u>1,531,577</u>	<u>98.9</u>	<u>1,729,033</u>	<u>98.7</u>	<u>1,239,887</u>	<u>98.9</u>
Sale of agricultural machinery and parts	7,900	0.8	12,952	0.8	16,176	0.9	7,268	0.6
Sale of seeds and landscaping services	3,029	0.3	3,401	0.2	4,227	0.3	5,088	0.4
Training and advisory services	1,115	0.1	1,305	0.1	2,209	0.1	585	*
	<u>12,044</u>	<u>1.2</u>	<u>17,658</u>	<u>1.1</u>	<u>22,612</u>	<u>1.3</u>	<u>12,941</u>	<u>1.0</u>
Renewable energy	-	-	-	-	-	-	617	0.1
Total	<u>1,020,759</u>	<u>100.0</u>	<u>1,549,235</u>	<u>100.0</u>	<u>1,751,645</u>	<u>100.0</u>	<u>1,253,445</u>	<u>100.0</u>

Note:

* Less than 0.1%.

Commentaries on revenue**Comparison between FYE 2021 and FYE 2020**

Our revenue increased by 51.8% to RM1,549.2 million for the FYE 2021 (FYE 2020: RM1,020.8 million) mainly due to increases in revenue from selling CPO and PK.

CPO

Our revenue from the sale of CPO increased by 50.0% to RM1,308.5 million for the FYE 2021 (FYE 2020: RM872.2 million) due to higher CPO selling prices during the FYE 2021. This was partially offset by lower volume of CPO delivered. The table below sets out our average CPO selling price and CPO delivery volume for the years indicated:

	<u>FYE 2020</u>	<u>FYE 2021</u>	<u>Variance</u>
Average CPO selling price (RM per MT)	2,753	4,422	60.6%
CPO delivery volume (MT)	316,840	295,887	(6.6%)
Revenue ⁽¹⁾ (RM million)	872.2	1,308.5	50.0%
Average CPO price by MPOB (RM per MT)	2,686	4,407	64.1%

Note:

(1) Computed as average CPO selling price multiplied by CPO delivery volume.

12. FINANCIAL INFORMATION (CONT'D)

Our average CPO selling price was higher during the FYE 2021 as compared to the FYE 2020 mainly due to both lower overall supply of CPO in the local market as a result of labour shortages and strong demand from our customers throughout this period. The average CPO price reported by MPOB increased from RM2,686 per MT in 2020 to RM4,407 per MT in 2021. According to MPOB, the increase in CPO price in 2021 was due to firmer prices of soybean oil in the global market, labour shortages on oil palm plantations, lower domestic stock of palm oil, firmer Brent crude oil prices in the global market and higher palm oil exports to major importing countries, especially to India.

We recorded a higher average CPO selling price as compared to the average CPO price reported by MPOB due to a larger proportion of our sales being comprised of sales of RSPO-certified CPO at higher prices, compared to non-RSPO-certified CPO. The strong demand for RSPO-certified CPO was primarily driven by regulations and policies in the European Union and the United States that imposed higher quality standards on imported palm oil products.

Our CPO delivery volume decreased during the FYE 2021 as FFB production during the year was significantly impacted by extremely low rainfall during the 1st half of 2019, which in turn adversely impacted FFB production over the next 24 months. The prolonged dry conditions induced moisture stress in the oil palms, which led to reduced production because a higher percentage of FFB was not suitable for processing and also led to declining FFB yields for the FYE 2021 as compared to the FYE 2020.

In addition, due to a national freeze on recruitment of foreign workers during the COVID-19 pandemic, we experienced labour shortage as we were not able to hire new foreign workers to replace those that returned to their home country during the pandemic, and this in turn affected our plantation operations. The lower production of FFB was partially offset by an increase in volume of FFB purchased.

PK

Our revenue from the sale of PK increased by 69.1% to RM219.1 million for the FYE 2021 (FYE 2020: RM129.6 million) due to higher PK selling prices during the FYE 2021. This was partially offset by lower volume of PK delivered. The table below sets out our average PK selling price and PK delivery volume for the years indicated:

	FYE 2020	FYE 2021	Variance
Average PK selling price (RM per MT)	1,625	2,887	77.7%
PK delivery volume (MT)	79,717	75,892	(4.8%)
Revenue ⁽¹⁾ (RM million)	129.6	219.1	69.1%
Average PK price by MPOB (RM per MT)	1,532	2,773	81.0%

Note:

(1) Computed as the average PK selling price multiplied by PK delivery volume.

The increase in average PK selling price and decrease in PK delivery volume were attributed to the same factors as explained above that drove the increase in CPO selling prices and decrease in CPO delivery volume during the FYE 2021. MPOB also reported an increase in average PK price from RM1,532 per MT in 2020 to RM2,773 per MT in 2021.

12. FINANCIAL INFORMATION (CONT'D)FFB

During the FYE 2021, our revenue from selling FFB decreased by 44.3% to RM3.9 million (FYE 2020: RM7.0 million). The decrease in sales of FFB to third parties coincided with an increase in processing of produced FFB at our own POMs and reflects our shift in FFB management strategy towards using all of our FFB for our own production of CPO and PK.

Trading and support services

The table below sets out the breakdown of our revenue from our trading and support services:

	FYE 2020 (RM'000)	FYE 2021 (RM'000)	Variance
Sale of agricultural machinery and parts	7,900	12,952	63.9%
Sale of seeds and landscaping services	3,029	3,401	12.3%
Training and advisory services	1,115	1,305	17.0%
	12,044	17,658	

Our revenue from trading and support services increased by 47.5% to RM17.7 million for the FYE 2021 (FYE 2020: RM12.0 million) mainly due to higher sales of agricultural machineries, equipment, and spare parts (in particular, a higher volume of orders compared to the previous year of an upgraded version of the mechanical buffalo), fees generated from the rental of machinery to third parties (in particular, mechanical buffalo), and more training services being carried out.

Comparison between FYE 2022 and FYE 2021

Our revenue increased by 13.1% to RM1,751.6 million for the FYE 2022 (FYE 2021: RM1,549.2 million) mainly due to higher revenue from selling CPO and PK.

CPO

Our revenue from the sale of CPO increased by 13.6% to RM1,486.6 million for the FYE 2022 (FYE 2021: RM1,308.5 million) due to higher CPO selling prices during the FYE 2022. This was partially offset by lower volume of CPO delivered. The table below sets out our average CPO selling price and CPO delivery volume for the years indicated:

	FYE 2021	FYE 2022	Variance
Average CPO selling price (RM per MT)	4,422	5,177	17.1%
CPO delivery volume (MT)	295,887	287,147	(3.0%)
Revenue ⁽¹⁾ (RM million)	1,308.5	1,486.6	13.6%
Average CPO price by MPOB (RM per MT)	4,407	5,088	15.5%

Note:

(1) Computed as the average CPO selling price multiplied by CPO delivery volume.

12. FINANCIAL INFORMATION (CONT'D)

Our average CPO selling price rose further by 17.1% during the FYE 2022 (FYE 2021: 60.6%) mainly due to a continued overall lower supply of CPO in the market, while the demand from our customers remained resilient throughout this period. The average CPO price reported by MPOB increased from RM4,407 per MT in 2021 to RM5,088 per MT in 2022. According to MPOB, the increase was due to firmer prices of soybean oil and Brent crude oils in the global market and weaker Ringgit relative to the U.S. Dollar, which made palm oil more competitive than other vegetable oils. Furthermore, such increase was also caused by the prolonged Ukraine-Russia conflict, which disrupted the sunflower oil supply chain globally, causing a surge in the demand for palm oil as a replacement for sunflower oil. Indonesia's CPO export ban and increased export levies, India's lower vegetable oil import duty and drought in Argentina also kept supply tensions low in the oilseeds market and led to higher vegetable oil prices, according to MPOB.

We continued to record a higher average CPO selling price as compared to the average CPO price reported by MPOB due to an increase in demand for RSPO-certified CPO, which increased our sales of RSPO-certified CPO to our customers.

Our CPO delivery volume decreased during the FYE 2022 due to labour shortage in the Malaysian plantation market, which required us to utilise less skilled harvesters on our plantation estates and caused more FFB to be harvested at sub-optimal times. The lower quality of FFB from our plantation estates contributed to a marginally lower oil extraction rate of 20.3% during the FYE 2022 (FYE 2021: 20.8%).

The labour shortage in Malaysia also adversely affected FFB production at third-party plantation estates, which also contributed to our lower CPO production by limiting our ability to purchase additional FFB for processing at our POMs. In addition, our POMs operated less efficiently because we were unable to operate on schedule, and had to postpone preventive maintenance work due to delays in obtaining spare parts such as steam turbine shaft which has also resulted in our lower CPO production.

PK

Our revenue from the sale of PK increased by 10.6% to RM242.4 million for the FYE 2022 (FYE 2021: RM219.1 million) due to higher PK selling prices during the FYE 2022. This was partly offset by lower volume of PK delivered. The table below sets out our average PK selling price and PK delivery volume for the years indicated:

	FYE 2021	FYE 2022	Variance
Average PK selling price (RM per MT)	2,887	3,218	11.5%
PK delivery volume (MT)	75,892	75,348	(0.7%)
Revenue ⁽¹⁾ (RM million)	219.1	242.4	10.6%
Average PK price by MPOB (RM per MT)	2,773	3,118	12.4%

Note:

(1) Computed as the average PK selling price multiplied by PK delivery volume.

The increase in average PK selling price and decrease in PK delivery volume were attributed to the same factors as explained above that drove the increase in CPO selling prices and decrease in CPO delivery volume during the FYE 2022. MPOB also reported an increase in average PK price from RM2,773 per MT in 2021 to RM3,118 per MT in 2022.

12. FINANCIAL INFORMATION (CONT'D)FFB

During the FYE 2022, no revenue was generated from the sale of FFB as all of the FFB produced on our plantation estates were used for our own production of CPO and PK.

Trading and support services

The table below sets out the breakdown of our revenue from our trading and support services:

	FYE 2021	FYE 2022	Variance
	(RM'000)	(RM'000)	
Sale of agricultural machinery and parts	12,952	16,176	24.9%
Sale of seeds and landscaping services	3,401	4,227	24.3%
Training and advisory services	1,305	2,209	69.3%
	17,658	22,612	

Our revenue from trading and support services increased by 27.7% to RM22.6 million for the FYE 2022 (FYE 2021: RM17.7 million), primarily due to higher sales of agricultural machineries, equipment and spare parts (in particular, a higher volume of orders compared to the previous year of an upgraded version of a mechanical buffalo) and fees generated on machinery that we rented to third parties.

Comparison between FYE 2023 and FYE 2022

Our revenue decreased by 28.4%, to RM1,253.4 million for the FYE 2023 (FYE 2022: RM1,751.6 million) mainly due to lower revenue from selling CPO and PK.

CPO

Our revenue from the sale of CPO decreased by 27.5% to RM1,078.3 million for the FYE 2023 (FYE 2022: RM1,486.6 million) due to lower volume of CPO delivered and lower CPO selling prices during the FYE 2023. The table below sets out our average CPO selling price and CPO delivery volume for the years indicated:

	FYE 2022	FYE 2023	Variance
Average CPO selling price (RM per MT)	5,177	3,989	(22.9%)
CPO delivery volume (MT)	287,147	270,347	(5.9%)
Revenue ⁽¹⁾ (RM million)	1,486.6	1,078.3	(27.5%)
Average CPO price by MPOB (RM per MT)	5,088	3,810	(25.1%)

Note:

(1) Computed as the average CPO selling price multiplied by CPO delivery volume.

CPO delivery volume decreased during the FYE 2023 due to lower oil extraction rate of 19.9% for the FYE 2023 (FYE 2022: 20.3%). The decrease in oil extraction rate was primarily due to adverse weather conditions and flooding on our plantation estates in March 2023, which adversely affected the quality of the FFB harvested from our plantation estates during the said period.

12. FINANCIAL INFORMATION (CONT'D)

Lower CPO selling prices also contributed to the decrease in revenue from the sale of CPO. Our average CPO selling price decreased by 22.9% to RM3,989 per MT during the FYE 2023 (FYE 2022: RM5,177 per MT) mainly due to lower market CPO prices. The declining trend in the price of CPO was driven by lower demand for palm oil products relative to increasing supply due to the lifting of export ban by Indonesia in May 2023 and an increase in the use of other alternative vegetable oils such as rapeseed oil and sunflower oil, as well as general weakness in economic growth leading to lower demand from major importing markets such as China and the European Union. The average CPO price reported by MPOB decreased to RM3,810 per MT during the FYE 2023 (FYE 2022: RM5,088 per MT). The decrease in our average CPO selling price also reflects the decreasing average CPO price reported by MPOB.

We recorded a higher average CPO selling price than the average CPO price reported by MPOB due to a larger proportion of our sales being comprised of sales of RSPO-certified CPO at higher prices, compared to non-RSPO-certified CPO. Even as CPO selling prices generally declined, RSPO-certified CPO continued to sell at higher prices than non-RSPO-certified CPO.

PK

Our revenue from the sale of PK decreased by 33.4% to RM161.5 million for the FYE 2023 (FYE 2022: RM242.4 million) due to lower volume of PK delivered and lower PK selling prices. The table below sets out our average PK selling price and PK delivery volume for the years indicated:

	FYE 2022	FYE 2023	Variance
Average PK selling price (RM per MT)	3,218	2,223	(30.9%)
PK delivery volume (MT)	75,348	72,675	(3.5%)
Revenue ⁽¹⁾ (RM million)	242.4	161.5	(33.4%)
Average PK price by MPOB (RM per MT)	3,118	2,016	(35.3%)

Note:

(1) Computed as the average PK selling price multiplied by PK delivery volume.

The decreases in average PK selling price and PK delivery volume were due to the same factors as explained above that drove the decreases in CPO selling prices and CPO delivery volume. The average PK price reported by MPOB decreased to RM2,016 per MT during the FYE 2023 (FYE 2022: RM3,118 per MT). The decrease in our average PK selling price also reflects the decreasing average PK price reported by MPOB.

FFB

During the FYE 2023, no revenue was generated from the sale of FFB as all of the FFB produced on our plantation estates were used for our own production of CPO and PK.

Trading and support services

The table below sets out the breakdown of our revenue from our trading and support services:

	FYE 2022	FYE 2023	Variance
	(RM'000)	(RM'000)	
Sale of agricultural machinery and parts	16,176	7,268	(55.1%)
Sale of seeds and landscaping services	4,227	5,088	20.4%
Training and advisory services	2,209	585	(73.5%)
	<u>22,612</u>	<u>12,941</u>	

12. FINANCIAL INFORMATION (CONT'D)

Our revenue from trading and support services decreased by 42.9% to RM12.9 million for the FYE 2023 (FYE 2022: RM22.6 million), primarily due to lower sales of agricultural machineries, equipment and spare parts, in particular, a decrease in sales of mechanical buffalo due to weaker demand from customers as we experienced a slowdown in orders for an upgraded mechanical buffalo model which had higher orders when the upgraded model was first introduced during the FYE 2021. We also recorded a decrease in sales of spare parts due to increased competition on pricing offered by other suppliers in the market.

Renewable energy

Our biomethane plant at Sedenak POM commenced commercial operations in June 2023. During the FYE 2023, we generated revenue of approximately RM0.6 million (FYE 2022: Nil) from the sale of 22,021 million British thermal units of biomethane to Gas Malaysia Green Ventures at a selling price of RM28 per unit of biomethane between August 2023 and October 2023. Operations at our biomethane plant were temporarily suspended in October 2023 after a fire incident. Restoration works were completed in May 2024 and we have since resumed operations at the said plant. Please refer to Section 7.18.4 of this Prospectus in relation to the interruption to our biomethane plant at Sedenak POM due to the fire incident.

(ii) Cost of sales

Our cost of sales comprises plantation estate costs, POM costs and trading and services support costs as described below.

(a) Plantation estate costs

- **Manuring and harvesting**

Manuring and harvesting costs include costs to purchase fertilisers and manures used in our plantation estates, and labour costs to spread fertiliser and to harvest FFB. This also includes replanting costs such as costs relating to ground clearing, terracing, replanting, planting of ground cover and crop establishment, fertilising, and crop management incurred during the replanting period. Our replanting costs are initially capitalised as bearer assets. After the replanting period and when the oil palm tree matures, the accumulated replanting cost is charged to profit and loss, and proportionately amortised over 22 years, which is the estimated useful life of the asset.

- **Depreciation and amortisation**

Depreciation and amortisation costs consist of depreciation charges on bearer plants' planting cost, estate and mills building, machinery and equipment, motor vehicles and infrastructure at our estates and mills, as well as amortisation of prepaid lease rentals for the rights to use leasehold lands, and intangible assets such as trademarks.

- **General and other charges**

General and other charges include salaries, bonus, licenses, administrative expenses and miscellaneous charges related to thinning (such as removal of some plants, or parts of plants, to make room for the growth of others) and supplying (such as replanting of propagative materials where they fail to germinate), soil conversion, pruning, marking and census (such as counting plants for monitoring purposes).

12. FINANCIAL INFORMATION (CONT'D)

- **Windfall profit levy**

Windfall profit levy is a levy imposed on all oil palm plantations (if the plantations exceed 40.6 Ha) by the Government at a rate of 3% on palm oil prices above a threshold of RM3,000 per MT in Peninsular Malaysia for the FYE 2022 and FYE 2023, and RM2,500 per MT for the FYE 2020 and FYE 2021.

- **Transportation**

Transportation costs are the costs of transporting harvested FFB from our plantation estates to our POMs.

(b) POM costs

- **Purchase of FFB**

We purchase FFB from third-party producers for processing at our POMs, including RSPO-certified FFB, which accounted for approximately 36.2%, 40.5%, 34.9% and 28.4% of our total cost of sales for the Financial Years Under Review respectively. We purchased lesser FFB during the FYE 2023 as a result of the flooding in March 2023.

- **General and other charges**

General and other charges include salaries, bonus, licenses and administrative expenses and miscellaneous charges related to POM operations and administration.

- **Processing cost**

Processing cost relates to the costs incurred to run our POMs and process FFB, which includes labour cost.

- **Transportation cost**

Transportation cost is the cost of transporting CPO and PK from our POMs to our customers.

(c) Trading and support services costs

Trading cost is related to sales of agricultural machineries and parts (such as mechanical buffalo, tractors and spare parts), while service cost is related to the cost of providing occupational safety and health training and advisory services (such as cost of conducting consultations, trainings and inspections related to health and safety compliance) and for managing oil palm nurseries (such as maintenance of oil palm seedlings, ornamental crop management and landscaping).

(d) Renewable energy costs

Cost of sales for our renewable energy segment mainly consists of labour cost, depreciation charges on plant and machinery, rental cost, and upkeep and maintenance cost.

12. FINANCIAL INFORMATION (CONT'D)

The breakdown of our cost of sales by cost components during the Financial Years Under Review is set out below:

	-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Plantation estate costs								
• Manuring and harvesting	151,349	20.6	172,044	18.7	221,744	22.6	256,280	28.8
• Depreciation and amortisation	67,633	9.2	79,911	8.7	77,770	7.9	81,086	9.1
• General and other charges ⁽¹⁾	106,171	14.4	103,307	11.2	115,040	11.7	116,694	13.1
• Windfall profit levy	16,998	2.3	61,798	6.7	65,892	6.7	25,184	2.8
• Transportation	32,828	4.5	36,117	3.9	45,348	4.6	42,525	4.8
	<u>374,979</u>	<u>51.0</u>	<u>453,177</u>	<u>49.2</u>	<u>525,794</u>	<u>53.5</u>	<u>521,769</u>	<u>58.6</u>
POM costs								
• Purchase of FFB	266,128	36.2	373,375	40.5	342,855	34.9	251,694	28.3
• General and other charges ⁽¹⁾	39,178	5.3	36,152	3.9	42,941	4.4	52,032	5.8
• Processing cost	36,210	4.9	36,183	3.9	42,586	4.3	42,235	4.7
• Transportation	9,905	1.3	9,148	1.0	10,384	1.1	11,203	1.3
	<u>351,421</u>	<u>47.7</u>	<u>454,858</u>	<u>49.3</u>	<u>438,766</u>	<u>44.7</u>	<u>357,164</u>	<u>40.1</u>
Trading and support services cost	9,380	1.3	13,452	1.5	17,138	1.8	9,742	1.1
Renewable energy costs	-	-	-	-	-	-	1,717	0.2
Total	<u>735,780</u>	<u>100.0</u>	<u>921,487</u>	<u>100.0</u>	<u>981,698</u>	<u>100.0</u>	<u>890,392</u>	<u>100.0</u>

Note:

- (1) General and other charges include salaries, bonus, licenses, administrative expenses and miscellaneous charges related to the operations and administration of our plantation segment.

Commentaries on cost of sales**Comparison between FYE 2021 and FYE 2020**

Our cost of sales increased by 25.2% to RM921.5 million for the FYE 2021 (FYE 2020: RM735.8 million) mainly due to higher plantation estate costs and POM costs.

Our plantation estate costs increased by 20.9% to RM453.2 million for the FYE 2021 (FYE 2020: RM375.0 million) primarily due to increases in windfall profit levy, as well as manuring and harvesting costs. We recorded an increase in windfall profit levy of RM44.8 million due to higher MPOB's average CPO price, which increased from RM2,686 per MT in 2020 to RM4,407 per MT in 2021, and was substantially above the CPO price threshold of RM2,500 per MT for Peninsular Malaysia.

12. FINANCIAL INFORMATION (CONT'D)

In addition, our depreciation and amortisation costs increased by 18.2% to RM79.9 million during the FYE 2021 (FYE 2020: RM67.6 million) due to the addition of the Malay Reserved Estates to our estate portfolio and acquisitions of property, plant and equipment (such as acquisition of agricultural vehicles, furniture and fittings, office equipment and software, and other plant and machinery).

Our POM costs increased by 29.5% to RM454.9 million for the FYE 2021 (FYE 2020: RM351.4 million) primarily due to an increase in average FFB purchase price from RM580 per MT during the FYE 2020 to RM977 per MT during the FYE 2021. This was in line with the increase in the average FFB price for Peninsular Malaysia reported by MPOB from RM561 per MT for the FYE 2020 to RM955 per MT for the FYE 2021.

The increase in trading and support services costs during the FYE 2021 was in line with the increase in revenue for this segment during the same period.

Comparison between FYE 2022 and FYE 2021

Our cost of sales increased by 6.5% to RM981.7 million for the FYE 2022 (FYE 2021: RM921.5 million), primarily due to higher plantation estate costs, which was partially offset by lower POM costs.

Our plantation estate costs increased by 16.0% to RM525.8 million for the FYE 2022 (FYE 2021: RM453.2 million) mainly due to higher manuring costs and general and other charges. The increase in our plantation estate costs was offset by lower POM costs, which decreased by 3.5% to RM438.8 million for the FYE 2022 (FYE 2021: RM454.9 million), as we purchased fewer FFB due to supply constraints in the market, which was partially offset by increases in general and other charges as well as processing costs.

The increase in trading and support services costs during the FYE 2022 was in line with the increase of revenue for this segment during the same period.

Comparison between FYE 2023 and FYE 2022

Our cost of sales decreased by 9.3% to RM890.4 million for the FYE 2023 (FYE 2022: RM981.7 million) primarily due to lower POM costs.

Our plantation estate costs decreased by 0.8% to RM521.8 million for the FYE 2023 (FYE 2022: RM525.8 million) mainly due to lower windfall profit levy. We recorded lower windfall profit levy of RM25.2 million for the FYE 2023 (FYE 2022: RM65.9 million) due to a lower MPOB average CPO price, which decreased to RM3,810 per MT for the FYE 2023 (FYE 2022: RM5,088 per MT) and was closer to the CPO price threshold of RM3,000 per MT for Peninsular Malaysia. This was partly offset by higher manuring and harvesting costs.

Our manuring and harvesting costs increased by 15.6% to RM256.3 million for the FYE 2023 (FYE 2022: RM221.7 million) mainly due to a 46.6% increase in manuring costs to RM166.6 million (FYE 2022: RM113.8 million) as we implemented our manuring programme in the FYE 2023, which was deferred from the FYE 2022 when a labour shortage led us to re-allocate available labour to FFB harvesting instead of manuring. This was partially offset by a decrease in harvesting costs of 16.9% to RM89.7 million in the FYE 2023 (FYE 2022: RM107.9 million) due to a decrease in harvesting activities in line with the decrease in our FFB production caused by adverse weather conditions and flooding on our plantation estates in March 2023.

Our POM costs decreased by 18.6% to RM357.2 million for the FYE 2023 (FYE 2022: RM438.8 million) as we purchased less FFB due to supply constraints in the market as a result of the flooding in Johor in March 2023. Such decrease was partially offset by increases in general and other charges due to the increase in labour costs as a result of the implementation of the increase in the minimum wage by 25% from RM1,200 a month to RM1,500 a month which came into effect in May 2022. The full year effect of the increase in the minimum wage was reflected during the FYE 2023.

12. FINANCIAL INFORMATION (CONT'D)

The decrease in trading and support services costs during FYE 2023 was mainly due to lower volume of transactions for this segment during the year.

(iii) GP and GP margin

The breakdown of our GP and GP margin during the Financial Years Under Review is set out below:

	<-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
GP								
Plantation	282,315	99.1	623,542	99.3	764,473	99.3	360,954	99.4
Trading and support services	2,664	0.9	4,206	0.7	5,474	0.7	3,199	0.9
Renewable energy	-	-	-	-	-	-	(1,100)	(0.3)
Total	284,979	100.0	627,748	100.0	769,947	100.0	363,053	100.0
GP margin								
Plantation		28.0%		40.7%		44.2%		29.1%
Trading and support services		22.1%		23.8%		24.2%		24.7%
Renewable energy		-		-		-		(178.3%)
Total		27.9%		40.5%		44.0%		29.0%

Commentaries on GP and GP margin**Comparison between FYE 2021 and FYE 2020**

Our GP increased by 120.2% to RM627.7 million for the FYE 2021 (FYE 2020: RM285.0 million) primarily due to higher revenue as explained in Section 12.3.2(i) of this Prospectus, coupled with a moderate increase in cost of sales.

During the FYE 2021, we recorded a significant increase in revenue of 51.8% owing largely to increases in CPO and PK selling prices. Meanwhile, our cost of sales during the FYE 2021 increased at a slower rate of 25.2% as compared to the increase in our revenue. In particular, our manuring and harvesting costs only increased by 13.7% to RM172.0 million for the FYE 2021 (FYE 2020: RM151.3 million) due to fixed labour costs to spread fertiliser and to harvest FFB, which is tied to the minimum wage. In addition, certain costs included in our cost of sales are also fixed, such as depreciation and amortisation.

As a result of the above, our GP margin increased to 40.5% for the FYE 2021 (FYE 2020: 27.9%).

Comparison between FYE 2022 and FYE 2021

Our GP increased by 22.7% to RM769.9 million for the FYE 2022 (FYE 2021: RM627.7 million) primarily due to higher revenue as explained in Section 12.3.2(i) of this Prospectus, coupled with a more moderate increase in cost of sales.

12. FINANCIAL INFORMATION (CONT'D)

During the FYE 2022, our revenue increased by 13.1%, which was largely driven by the increase in average CPO and PK selling prices. Meanwhile, our cost of sales which increased by 6.5% for the FYE 2022, increased at a slower rate as compared to the increase in our revenue, as certain costs included in our cost of sales are fixed, such as depreciation and amortisation and labour costs, which was partially offset by an increase in the minimum wage beginning in May 2022.

As a result of the above, our GP margin increased to 44.0% for the FYE 2022 (FYE 2021: 40.5%). Our GP margin increased at a higher rate between FYE 2020 and FYE 2021 of 12.6% than between FYE 2021 and FYE 2022 of 3.5%, primarily due to the larger year-on-year increase in CPO selling prices in the FYE 2021 as explained in Section 12.3.2(i) of this Prospectus. With a moderate year-on-year increase in CPO selling prices in the FYE 2022, our GP margin also increased at a moderate rate.

Comparison between FYE 2023 and FYE 2022

Our GP decreased by 52.8% to RM363.1 million for the FYE 2023 (FYE 2022: RM769.9 million) primarily due to lower revenue as explained in Section 12.3.2(i) of this Prospectus.

During the FYE 2023, our revenue decreased by 28.4%, mainly due to lower revenue from decrease in CPO and PK selling prices. Meanwhile, our cost of sales decreased at a slower rate of 9.3% as compared to the decrease in our revenue due to the increase in manuring costs as a result of higher cost of fertiliser which had been purchased in 2022. We deferred part of our planned manuring activities in the FYE 2022 to the FYE 2023 due to shortage of labour and re-allocated our available labour to FFB harvesting.

For the FYE 2023, we recorded a gross loss of approximately RM1.1 million under our renewable energy segment as the revenue generated for the 3 months prior to the fire incident was insufficient to cover our fixed operating cost during the financial year.

As a result of the above, our GP margin decreased to 29.0% for the FYE 2023 (FYE 2022: 44.0%).

(iv) Other income

The breakdown of our other income during the Financial Years Under Review is set out below:

	<-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Gain on fair value change for biological assets ⁽¹⁾	13,257	55.9	20,317	65.7	-	-	2,479	16.5
Sale of by-products ⁽²⁾	8,198	34.6	7,068	22.8	5,619	51.3	7,496	49.9
Analysis fee ⁽³⁾	806	3.4	712	2.3	1,418	12.9	1,515	10.1
Trading of CPO ⁽⁴⁾	-	-	330	1.1	1,080	9.9	-	-
Management fee ⁽⁵⁾	806	3.4	728	2.4	450	4.1	629	4.2
Sales of seeds	51	0.2	267	0.9	627	5.7	-	-
Sale of scrap	107	0.4	469	1.5	374	3.4	358	2.4
Rental income	496	2.1	567	1.8	590	5.4	684	4.6
Waiver of amount due to the JCorp Group ⁽⁶⁾	-	-	-	-	-	-	1,178	7.8
Others ⁽⁷⁾	-	-	476	1.5	803	7.3	680	4.5
Total	23,721	100.0	30,934	100.0	10,961	100.0	15,019	100.0

12. FINANCIAL INFORMATION (CONT'D)**Notes:**

- (1) We record gain from increases in fair value of our biological assets, namely the fruits on our oil palms on our plantation estates. To determine the fair value of the oil palm fruits, we consider the oil content of all unripe FFB that, as of the testing date, is at least one week after pollination and no more than one week prior to harvest. As the oil content accrues exponentially in the 2 weeks prior to harvest, FFB more than 2 weeks before harvesting is excluded from the valuation as their fair values are considered to be negligible. The fair value of FFB is calculated using the income approach which considers the net present value of all directly attributable net cash flows, including imputed contributory asset charges.
- (2) The sale of by-products comprises of the sale of PK shell, sludge oil or commonly referred to as palm oil mill effluent, mesocarp fibre, boiler ash and EFB from our estates and POMs.
- (3) We charge analysis fees to third parties such as smallholders who use our laboratory for fertiliser and domestic water quality analysis.
- (4) As CPO is a widely traded commodity in Malaysia, we engage in buying and selling CPO that is produced and sold by third parties in the open market to generate additional income based on market conditions. When such trading results in a net gain, such gain is recorded as other income.
- (5) We manage 3 third-party plantation estates located in Johor with total land area of 1,549 Ha as at LPD. We charge management fees for our management of estates owned by third parties and we purchase all the FFB harvested from the owners of these estates.
- (6) This relates to the waiver of outstanding trade and non-trade debts owed by JPG Planterra to Johor Foods Sdn Bhd, a wholly-owned subsidiary of JCorp. In December 2022, Johor Foods Sdn Bhd agreed to waive the entire outstanding debts owed by JPG Planterra amounting to approximately RM1.2 million in conjunction with the Capitalisation to eliminate all debts owing by us to the JCorp Group, save for trade debts which are within credit period.
- (7) Others include, among others, proceeds from recovered insurance related to equipment, proceeds from the sale of equipment, fair value changes on derivatives, and unrealised gain on foreign exchange.

Commentaries on other income

Our other income increased by 30.4% to RM30.9 million for the FYE 2021 (FYE 2020: RM23.7 million), mainly due to the increase in fair value change on biological assets as a result of higher estimation of selling prices of FFB which was in line with the increase in average CPO price.

Our other income decreased by 64.4% to RM11.0 million for the FYE 2022 (FYE 2021: RM30.9 million) as there was no gain on fair value change on biological assets during the FYE 2022 (FYE 2021: RM20.3 million). Due to lower FFB prices, we recorded a loss on fair value changes for biological assets during the FYE 2022 as reflected in our other operating expenses in Section 12.3.2(vi) of this Prospectus.

Our other income increased by 36.4% to RM15.0 million for the FYE 2023 (FYE 2022: RM11.0 million), mainly due to gain on fair value change on biological assets for the FYE 2023 as a result of higher production of FFB, increase in the sale of by-products (due to higher volume of mesocarp fibre being produced, higher volume of sludge oil available for sale during the FYE 2023 which were not sold in the previous year and an increase in price for PK shell due to low supply) and a waiver of the amount that we owed to the JCorp Group.

12. FINANCIAL INFORMATION (CONT'D)**(v) Administrative expenses**

The breakdown of our administrative expenses during the Financial Years Under Review is set out below:

	-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Staff cost and employee benefit	52,439	53.0	52,506	52.7	70,157	55.4	54,596	55.1
Professional fees	5,007	5.0	3,115	3.1	12,077	9.5	10,615	10.7
Office supplies and expenses	16,157	11.0	18,489	18.6	17,429	13.8	14,995	15.1
Amortisation and depreciation	10,292	13.7	8,796	8.8	9,503	7.5	5,749	5.8
Repair and maintenance	7,143	7.2	7,216	7.2	7,292	5.8	4,179	4.2
Donation	1,526	1.5	3,178	3.2	4,216	3.3	3,083	3.1
Utility charges	2,225	2.2	2,262	2.3	1,899	1.5	2,255	2.3
Others ⁽¹⁾	4,220	4.3	4,057	4.1	4,031	3.2	3,655	3.7
Total	99,009	100.0	99,619	100.0	126,604	100.0	99,127	100.0

Note:

- (1) Others include quit rent, amortisation of loan agreement fees and vehicle running expenses.

Commentaries on administrative expenses

Our administrative expenses remained relatively consistent at RM99.6 million for the FYE 2021 as compared to the FYE 2020 at RM99.0 million.

Our administrative expenses increased by 27.1% to RM126.6 million for the FYE 2022 (FYE 2021: RM99.6 million) primarily due to higher staff cost and employee benefits, which increased by RM17.7 million, as a result of the increase in the minimum monthly wage of employees during the FYE 2022 from RM1,200 to RM1,500, and higher professional fees, mainly related to the Pre-Listing Restructuring and our IPO.

Our administrative expenses decreased by 21.7% to RM99.1 million for the FYE 2023 (FYE 2022: RM126.6 million) primarily due to lower staff cost and employee benefit, which decreased by RM15.6 million, as a result of lower provision of bonus and retirement gratuity, as well as reduction in our headcount upon the completion of the Pre-Listing Restructuring as some staff were retained by Kulim for its non-plantation-related business during the financial year.

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12. FINANCIAL INFORMATION (CONT'D)**(vi) Other operating expenses**

The breakdown of our other operating expenses during the Financial Years Under Review is set out below:

	-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Fair value change on biological assets ⁽¹⁾	-	-	-	-	16,752	100.4	-	-
Loss on trading of CPO ⁽²⁾	2,116	39.1	-	-	-	-	-	-
(Reversal of allowance) / Allowance for impairment losses on receivables	(776)	(14.3)	(337)	(8.9)	(546)	(3.3)	221	5.2
COVID-19 expenses	3,252	60.0	3,842	101.5	-	-	-	-
Writing off of property, plant and equipment	805	14.8	66	1.7	232	1.4	3,763	89.3
Others ⁽³⁾	22	0.4	214	5.7	251	1.5	232	5.5
Total	5,419	100.0	3,785	100.0	16,689	100.0	4,216	100.0

Notes:

- (1) Please refer to Section 12.3.2(iv) of this Prospectus for information on fair value changes for our biological assets. Changes in the fair value of our biological assets, less estimated costs (net value) to sell the same agricultural produce, are included in our other operating expenses for the financial year when they result in a loss.
- (2) Please refer to Note (4) of Section 12.3.2(iv) of this Prospectus for information on our trading of CPO. When such trading results in a net loss, such loss is recorded as an operating expense.
- (3) Others include write-off of inventories and loss on disposal of subsidiaries.

Commentaries on other operating expenses

Our other operating expenses decreased by 29.6% to RM3.8 million for the FYE 2021 (FYE 2020: RM5.4 million) as we recorded a gain on trading of CPO (under other income), as compared to a loss on trading of CPO in the previous financial year. The loss on trading of CPO for the FYE 2020 was related to buying back of CPO forward contracts at current market price due to non-delivery of CPO.

Our other operating expenses increased by 339.5% to RM16.7 million for the FYE 2022 (FYE 2021: RM3.8 million) primarily due to a loss on fair value changes for biological assets as a result of lower selling prices of FFB.

Our other operating expenses decreased by 74.9% to RM4.2 million for the FYE 2023 (FYE 2022: RM16.7 million) due to absence of loss on fair value change on biological assets during the financial year. This was offset by higher property, plant and equipment written off.

12. FINANCIAL INFORMATION (CONT'D)**(vii) Finance income**

The breakdown of our finance income during the Financial Years Under Review is set out below:

	<-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Interest income from:								
• deposits with licensed banks	2,639	92.8	2,016	91.1	2,767	59.6	2,494	89.6
• other receivables	204	7.2	197	8.9	1,876	40.4	289	10.4
Total	2,843	100.0	2,213	100.0	4,643	100.0	2,783	100.0

Commentaries on finance income

Our finance income decreased by 21.4% to RM2.2 million for the FYE 2021 (FYE 2020: RM2.8 million) mainly due to lower finance income from deposits with licensed banks as a result of the decrease in Malaysia's overnight policy rate during 2021.

Our finance income increased by 109.1% to RM4.6 million for the FYE 2022 (FYE 2021: RM2.2 million) mainly due to higher finance income from deposits with licensed banks as a result of the increase in Malaysia's overnight policy rate during 2022, and higher interest earned from other receivables.

Our finance income decreased by 39.1% to RM2.8 million for the FYE 2023 (FYE 2022: RM4.6 million) mainly due to settlement of intercompany receivables during the FYE 2023.

(viii) Finance costs

The breakdown of our finance costs during the Financial Years Under Review is set out below:

	<-----Audited----->							
	FYE 2020		FYE 2021		FYE 2022		FYE 2023	
	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)	(RM'000)	(%)
Interest expenses on:								
• term loan	83,257	93.0	66,561	96.6	67,678	92.5	80,902	89.3
• revolving credit	5,682	6.4	1,953	2.8	4,841	6.6	120	0.1
• bank overdraft	3	*	5	*	-	-	-	-
Others ⁽¹⁾	562	0.6	424	0.6	619	0.9	9,570	10.6
Total	89,504	100.0	68,943	100.0	73,138	100.0	90,592	100.0

Notes:

* Less than 0.1%.

(1) 'Others' include interest expense on lease liabilities, interest on loan from related companies and retirement benefits for union employees.

12. FINANCIAL INFORMATION (CONT'D)**Commentaries on finance costs**

Our finance costs decreased by 23.0% to RM68.9 million for the FYE 2021 (FYE 2020: RM89.5 million) primarily as a result of lower interest expense on loans and borrowings following partial repayment of our term loan and revolving credit.

Our finance costs increased by 6.1% to RM73.1 million for the FYE 2022 (FYE 2021: RM68.9 million) due to higher interest expense on loans and borrowings as we obtained additional term loan and revolving credit mainly for the financing of development and construction of our biomethane plant at Sedenak POM.

Our finance costs increased by 23.9% to RM90.6 million for the FYE 2023 (FYE 2022: RM73.1 million) primarily due to higher interest rates as a result of the increase of Malaysia's overnight policy rate to 3.0% in 2023 compared to Malaysia's lower overnight policy rate of 2.3% in 2022, an increase in advance from Kulim of RM144.0 million during the FYE 2023 for our working capital purposes, and an increase in interest expense on lease liabilities due to the extension of rental period pursuant to the Renewal Tenancy Agreement with JCorp. The advance from Kulim, which we have used for our working capital requirement such as the purchase of FFB, fertilisers, spare parts for our equipment, fuel and chemicals, was subsequently settled via the Capitalisation.

(ix) Taxation

Our tax expense together with the comparison between our effective and statutory tax rates during the Financial Years Under Review are set out below:

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Current tax expense				
- Current year	65,440	132,802	198,588	48,118
- (Over)/Under provision in prior year	(2,165)	(4,357)	(6,778)	(25,508)
	63,275	128,445	191,810	22,610
Deferred tax expense				
Origination and reversal of temporary differences	(1,900)	14,028	(123,855)	(5,269)
Under/(Over) provision in prior years	1,335	(2,596)	(401)	2,084
Total deferred tax recognised in profit or loss	(565)	11,432	(124,256)	(3,185)
Total tax expense	62,710	139,877	67,554	19,425
Effective tax rate (%)	53.3	28.6	11.9	10.4
Statutory tax rate (%)	24.0	24.0	24.0	24.0

We are subject to income tax at the applicable statutory tax rates in Malaysia. For the Financial Years Under Review, we do not have any outstanding or provision for withholding tax.

12. FINANCIAL INFORMATION (CONT'D)**Commentaries on taxation**

Our effective tax rate for the FYE 2020 of 53.3% was higher than the statutory tax rate of 24.0%, primarily due to non-deductible expenses of RM41.2 million, which comprised mainly depreciation of property, plant, and equipment, amortisation of right of use assets and interest expense above the amount that can be deducted. These non-deductible expenses were partially offset by the tax-exempt income of RM5.9 million, mainly arising from gain on changes in fair value of biological assets.

Our effective tax rate for the FYE 2021 of 28.6% was higher than the statutory tax rate of 24.0%, primarily due to non-deductible expenses of RM32.4 million, which comprised mainly of depreciation of property, plant, and equipment, amortisation of right of use assets and interest expense above the amount that can be deducted. These non-deductible expenses were partially offset by the tax-exempt income of RM2.5 million, mainly arising from gain on changes in fair value of biological assets.

Our effective tax rate for the FYE 2022 of 11.9% was lower than the statutory tax rate of 24.0%, primarily due to reversal of deferred tax liabilities in relation to waiver of real property gain tax of RM113.1 million granted by the Ministry of Finance. This was, however, partially offset by the one-off prosperity tax (Cukai Makmur) of RM17.0 million imposed during the financial year, whereby chargeable income of above RM100.0 million will be taxed at a rate of 33.0%, and non-deductible expenses of RM34.8 million, which comprised mainly depreciation of property, plant, and equipment, amortisation of right of use assets and interest expense above the amount that can be deducted.

Our effective tax rate for the FYE 2023 of 10.4% was lower than the statutory tax rate of 24.0%, primarily due to the absence of one-off prosperity tax and overprovision of tax expenses amounting to RM25.5 million in the prior year as certain finance costs were regarded as tax deductible, as well as non-taxable income of RM11.3 million due to capitalised revenue expenditure from increase in additional immature bearer plants. These significantly reduced our effective tax rate during the financial year. This was partially offset by non-deductible expenses of RM9.3 million, which comprised depreciation of property, plant, and equipment, amortisation of right of use assets and interest expense above the amount that can be deducted.

(x) Zakat

Our zakat expenses were RM2.6 million, RM4.1 million and RM6.2 million for the FYE 2020, FYE 2021 and FYE 2022 respectively. We recorded higher zakat expenses from the FYE 2020 to FYE 2020 due to the increase in our adjusted net current assets for zakat computations.

Our zakat expenses were RM6.2 million and RM1.8 million for the FYE 2022 and FYE 2023, respectively. The lower amount paid was mainly due to the decrease in our adjusted net current assets for zakat computations after the Pre-Listing Restructuring and excluding items that do not meet the conditions for zakat assets and liabilities.

(xi) PBT, PBT margin, PAT and PAT margin

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
PBT	117,611	488,548	569,120	186,920
PBT margin (%)	11.5	31.5	32.5	14.9
PAT attributable to owners of our Group	52,501	344,796	495,592	167,306
PAT margin (%)	5.1	22.3	28.3	13.3

12. FINANCIAL INFORMATION (CONT'D)**Commentaries on PBT, PBT margin, PAT and PAT margin****Comparison between FYE 2021 and FYE 2020**

For the FYE 2021, our PBT increased by 315.4% to RM488.5 million (FYE 2020: RM117.6 million) primarily due to higher GP as explained in Section 12.3.2(iii) of this Prospectus. In line with the above, our PAT increased by 556.8% to RM344.8 million for the FYE 2021 (FYE 2020: RM52.5 million). The higher PAT in 2021 was also attributed to a lower effective tax rate of 28.6% for the FYE 2021 (FYE 2020: 53.3%) as explained in Section 12.3.2(ix) of this Prospectus. The effective tax rate for the FYE 2020 was higher mainly due to non-deductible expenses consisting of depreciation of property, plant, and equipment, amortisation of right of use assets and interest expense exceeding the amount that can be deducted.

As a result of the above, we recorded higher PBT margin of 31.5% for the FYE 2021 (FYE 2020: 11.5%) and higher PAT margin of 22.3% for the FYE 2021 (FYE 2020: 5.1%).

Comparison between FYE 2022 and FYE 2021

For the FYE 2022, our PBT increased by 16.5% to RM569.1 million (FYE 2021: RM488.5 million) mainly due to higher GP as explained in Section 12.3.2(iii) of this Prospectus. The higher GP for the FYE 2022 was, however, partially offset by higher administrative expenses due to increase in staff costs (mainly because of increase in minimum monthly wage for the FYE 2022 from RM1,200 to RM1,500) and professional fees (incurred for the Pre-Listing Restructuring and our IPO) as explained in Section 12.3.2(v) of this Prospectus.

Our PAT increased by 43.7% to RM495.6 million for the FYE 2022 (FYE 2021: RM344.8 million). Our PAT increased at a higher rate than our PBT due to lower effective tax rate of 11.9% during the FYE 2022 (FYE 2021: 28.6%). As explained in Section 12.3.2(ix) of this Prospectus, this was primarily due to reversal of deferred tax liabilities in relation to waiver of real property gain tax of RM113.1 million granted by the Ministry of Finance, thereby resulting in lower tax expense and was, however, partially offset by the prosperity tax of RM17.0 million imposed during the financial year.

As a result of the above, we recorded higher PBT margin of 32.5% for the FYE 2022 (FYE 2021: 31.5%) and higher PAT margin of 28.3% for the FYE 2022 (FYE 2021: 22.3%).

Comparison between FYE 2023 and FYE 2022

Our PBT decreased by 67.2% to RM186.9 million for the FYE 2023 (FYE 2022: RM569.1 million) mainly due to lower GP as explained in Section 12.3.2(iii) of this Prospectus, coupled with the increase in interest expense due to higher interest rates as well as increase in advance from Kulim by RM144.0 million during the FYE 2023 for our working capital. Such decrease in our GP was partially offset by higher other income, and lower administrative and other operating expenses as explained above.

As a result of the above, we recorded lower PBT margin of 14.9% (FYE 2022: 32.5%) and PAT margin of 13.3% for the FYE 2023 (FYE 2022: 28.3%).

12. FINANCIAL INFORMATION (CONT'D)

12.4 LIQUIDITY AND CAPITAL RESOURCES

12.4.1 Working capital

Our working capital is funded through cash generated from our operating activities, various credit facilities extended to us by financial institutions, and our existing cash and cash equivalents. We expect to continue to rely on these sources of funding after completion of the Public Issue.

As at 31 December 2023, we had:

- (i) cash and cash equivalents of RM140.7 million and unutilised credit facilities of RM30.8 million; and
- (ii) working capital of approximately RM4.6 million, being the difference between current assets of approximately RM358.0 million and current liabilities of approximately RM353.4 million.

After taking into consideration the funding requirements for our expected capital expenditures, our expected cash flows to be generated from our operations, our existing level of cash and cash equivalents, credit facilities available (amounting to approximately RM27.1 million as at the LPD) and the estimated net proceeds from the Public Issue, our Board is of the view that we will have sufficient working capital for a period of 12 months from the date of this Prospectus.

For information purposes, we are considering to establish the Proposed Sukuk Programme of up to RM3.0 billion after our Listing, further details of which are set out in Section 12.4.4 of this Prospectus. We are not dependent on the Proposed Sukuk Programme to provide sufficient working capital for a period of 12 months from the date of this Prospectus.

12.4.2 Cash flows summary

The summary of our consolidated statements of cash flows during the Financial Years Under Review is set out below:

	<-----Audited----->			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>	<u>(RM'000)</u>
Net cash flows generated from operating activities	251,328	481,730	373,310	387,915
Net cash flows used in investing activities	(70,625)	(84,938)	(94,573)	(168,429)
Net cash flows used in financing activities	(147,028)	(354,991)	(451,604)	(104,251)
Net increase/(decrease) in cash and cash equivalents	33,675	41,801	(172,867)	115,235
Cash and cash equivalents at the beginning of the financial year	122,844	156,519	198,320	25,453
Cash and cash equivalents at the end of the financial year	156,519	198,320	25,453	140,688

There are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances, subject to availability of distributable reserves and/or loans or advances and compliance with legal requirements and financial covenants.

12. FINANCIAL INFORMATION (CONT'D)**Commentaries on cash flows****FYE 2020****(i) Net cash flows generated from operating activities**

For the FYE 2020, our cash flows generated from operating activities before working capital changes was RM304.7 million. Our net operating cash flow was RM251.3 million after adjusting for, among others, the following decreases in working capital and other cash outflows:

- (a) increase in trade and other receivables of RM98.8 million due to increased billings to customers from increased sales during the financial year; and
- (b) payment of income taxes and zakat of RM46.1 million and RM2.6 million respectively, which was partially offset by the receipt of tax refund of RM7.6 million.

The above was partly offset by an increase in working capital related to the increase in trade and other payables of RM82.5 million due to the increase in other payables from the rental of Malay Reserved Estates.

(ii) Net cash flows used in investing activities

For the FYE 2020, we recorded net cash flows used in investing activities of RM70.6 million, which was primarily due to the purchase of property, plant and equipment of RM73.5 million, comprising mainly:

- (a) pre-cropping expenditure on immature oil palms of RM35.3 million;
- (b) additional work in progress relating to plant and machinery of RM23.9 million mainly for the upgrading of our Sedenak POM;
- (c) purchase of plant and machinery, furniture and equipment and motor vehicles totaling RM8.2 million; and
- (d) acquisition of bearer assets (replanting of oil palms) of RM4.8 million.

The above cash outflows were partly offset by the interest received from placement of deposits in financial institutions of RM2.8 million.

(iii) Net cash flows used in financing activities

For the FYE 2020, we recorded net cash used in financing activities of RM147.0 million. This was mainly used for the repayment of our borrowings of RM354.1 million, dividend paid of RM318.0 million, as well as interest paid for our borrowings of RM90.3 million. The cash outflows were partly offset by the repatriation of cash* from our immediate holding company, Kulim, of RM316.0 million and drawdown of our borrowings of RM300.0 million for working capital purposes.

Note:

- * This arose as part of the effect of business combination under common control pursuant to the Pre-Listing Restructuring whereby we had recognised the plantation business that we acquired from Kulim at carrying amounts. As the dividends paid by our Group to Kulim during the FYE 2020 were reinvested by Kulim into its plantation business that was subsequently acquired by us pursuant to the Pre-Listing Restructuring, such effect was recognised as a repatriation of cash from Kulim to our Group.

12. FINANCIAL INFORMATION (CONT'D)**FYE 2021****(i) Net cash flows generated from operating activities**

For the FYE 2021, our cash flows generated from operating activities before working capital changes was RM642.9 million. Our net operating cash flow was RM481.7 million after adjusting for, among others, the following decreases in working capital and other cash outflows:

- (a) increase in trade and other receivables of RM55.2 million due to increases in CPO selling prices leading to higher amounts of receivables; and
- (b) payment of income taxes and zakat of RM116.9 million and RM4.1 million respectively, which was partially offset by the receipt of tax refund of RM2.6 million.

The above was partially offset by an increase in working capital related to an increase in trade and other payables of RM16.9 million mainly due to higher purchases of supplies and equipment to operate our plantation estates and POMs.

(ii) Net cash flows used in investing activities

For the FYE 2021, we recorded net cash flows used in investing activities of RM84.9 million, which was primarily due to the purchase of property, plant and equipment of RM86.7 million, comprising mainly:

- (a) pre-cropping expenditure on immature oil palms of RM27.6 million;
- (b) purchase plant and machinery, furniture and equipment and motor vehicles totaling RM25.1 million;
- (c) additional work in progress of RM27.3 million related to the development of the biogas plant.

The above cash outflows were partly offset by the interest received from placement of deposits in financial institutions of RM2.0 million.

(iii) Net cash flows used in financing activities

For the FYE 2021, we recorded net cash used in financing activities of RM355.0 million. This was mainly used for the repayment of our borrowings of RM243.0 million, dividend paid to shareholders of RM200.0 million and interest paid for our borrowings of RM72.2 million. These cash outflows were partly offset by the repatriation of cash* from our immediate holding company, Kulim, of RM85.0 million and drawdown of our borrowings of RM79.6 million for working capital purposes.

Note:

- * This arose as part of the effect of business combination under common control pursuant to the Pre-Listing Restructuring whereby we had recognised the plantation business that we acquired from Kulim at carrying amounts. As the dividends paid by our Group to Kulim during the FYE 2021 were reinvested by Kulim into its plantation business that was subsequently acquired by us pursuant to the Pre-Listing Restructuring, such effect was recognised as a repatriation of cash from Kulim to our Group.

12. FINANCIAL INFORMATION (CONT'D)**FYE 2022****(i) Net cash flows generated from operating activities**

For the FYE 2022, our cash flows generated from operating activities before working capital changes was RM762.4 million. Our net operating cash flow was RM373.3 million after adjusting for, among others, the following decreases in working capital and other cash outflows:

- (a) increase in trade and other receivables of RM44.5 million mainly due to the increase in amount owing by Kulim to us mainly for advances to our immediate holding company;
- (b) decrease in trade and other payables of RM56.7 million due to payment of amounts owed to our suppliers and related parties;
- (c) increase in inventories of RM45.0 million due to fertilisers purchased during the year which remained unutilised as we postponed our manuring program to the following year; and
- (d) payment of income taxes and zakat of RM235.8 million and RM6.2 million respectively, which was partially offset by the receipt of tax refund of RM1.6 million.

(ii) Net cash flows used in investing activities

For the FYE 2022, we recorded net cash flows used in investing activities of RM94.6 million, which was primarily due to the purchase of property, plant and equipment of RM101.8 million, comprising mainly:

- (a) expenditure on our biogas plant, production capacity of our Sindora POM, and construction of a PFOE plant for our Sedenak POM totaling RM60.0 million;
- (b) pre-cropping expenditure on immature oil palms of RM28.6 million; and
- (c) purchase of plant and machinery, furniture and equipment, and motor vehicles amounting to a total of RM11.4 million.

The above cash outflows were partly offset by proceeds from the disposal of property, plant and equipment of RM2.8 million and interest received of RM2.8 million.

(iii) Net cash used in financing activities

For the FYE 2022, we recorded net cash used in financing activities of RM451.6 million. This was mainly used for the repayment of our borrowings of RM407.5 million, dividend paid to shareholders of RM82.5 million, interest paid for our borrowings of RM76.3 million and the repatriation of cash* to our immediate holding company, Kulim, and its related companies amounting to a total of RM281.6 million. These cash outflows were partly offset by the drawdown of our borrowings of RM397.7 million for working capital purposes and construction of our biomethane plant at Sedenak POM.

Note:

- * This arose as part of the effect of business combination under common control pursuant to the Pre-Listing Restructuring whereby our Company had recognised the respective plantation businesses that we acquired from Kulim and its related companies at carrying amounts. As certain cash held in the plantation business of Kulim and its related companies was excluded from the identified assets to be transferred to our Group when the Pre-Listing Restructuring was completed in December 2022, such effect was recognised as a repatriation of cash from our Group to Kulim and its related companies during the FYE 2022.

12. FINANCIAL INFORMATION (CONT'D)**FYE 2023****(i) Net cash flows generated from operating activities**

For the FYE 2023, our cash flows generated from operating activities before working capital changes was RM386.2 million. Our net operating cash flow was RM387.9 million, after adjusting for, among others, the following increases in working capital:

- (a) decrease in trade and other receivables of RM123.1 million mainly due to settlement of non-trade debts by our immediate holding company, Kulim;
- (b) decrease in trade and other payables of RM67.7 million mainly due to the settlement of amount due to Kulim amounting to approximately RM172.6 million via the Capitalisation, partly offset by an increase in trade payables as we deferred payment to creditors as part of our cash flow management efforts; and
- (c) decrease in inventories of RM36.8 million due to the implementation of our deferred manuring programme during the financial year.

The above was partially offset by payment of income taxes of RM93.2 million.

(ii) Net cash flows used in investing activities

For the FYE 2023, we recorded net cash flows used in investing activities of RM168.4 million, which was primarily due to the purchase of property, plant and equipment of RM167.9 million, comprising mainly:

- (a) additional work in progress amounting to RM56.1 million mainly from the expenditure on our biogas plant, expansion of production capacity of our Sindora POM, and construction of a PFOE plant for our Sedenak POM;
- (b) purchase of plant and machinery, furniture and equipment, and motor vehicles amounting to a total of RM55.3 million and construction of new buildings amounting to RM6.8 million; and
- (c) pre-cropping expenditure on immature oil palms of RM46.0 million.

The above cash outflows were partly offset by interest received of RM2.5 million.

(iii) Net cash used in financing activities

For the FYE 2023, we recorded net cash used in financing activities of RM104.3 million. During the financial year, we took an advance from our immediate holding company, Kulim amounting to RM144.0 million. We partially repaid RM14.7 million of the advance in cash during the same financial year and the remaining balance of the advance was settled via the Capitalisation along with the amount due to Kulim amounting to approximately RM172.6 million. We also made repayments of borrowings amounting to RM179.6 million, and interest for our borrowings amounting to RM88.2 million.

12. FINANCIAL INFORMATION (CONT'D)**12.4.3 Key financial ratios**

Our key financial ratios during the Financial Years Under Review are as follows:

	<-----Audited----->			
	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Trade receivables turnover period ⁽¹⁾ (days)	17	15	13	12
Trade payables turnover period ⁽²⁾ (days)	37	20	18	19
Inventories turnover period ⁽³⁾ (days)	9	8	16	20
Current ratio ⁽⁴⁾ (times)	0.9	1.3	1.0	1.0
Gearing ratio ⁽⁵⁾ (times)	1.2	1.0	0.9	0.8
Net gearing ratio ⁽⁶⁾ (times)	1.1	0.9	0.9	0.7

Notes:

- (1) Computed as the average of trade receivables over our total revenue for the respective financial years multiplied by 366 days for the FYE 2020, 365 days for the FYE 2021, FYE 2022 and FYE 2023.
- (2) Computed as the average of trade payables over our cost of sales for the respective financial years multiplied by 366 days for the FYE 2020, 365 days for the FYE 2021, FYE 2022 and FYE 2023.
- (3) Computed as the average of inventories over our cost of sales for the respective financial years multiplied by 366 days for the FYE 2020, 365 days for the FYE 2021, FYE 2022 and FYE 2023.
- (4) Computed as current assets divided by current liabilities.
- (5) Computed as the sum of total borrowings and total lease liabilities over the equity attributable to owners of our Group.
- (6) Computed as net borrowings (the sum of total borrowings and total lease liabilities less cash and cash equivalents) over the equity attributable to owners of our Group.

(i) Trade receivables turnover period

Our trade receivables relate to transactions with external customers and related parties. Our trade receivables are primarily from customers who purchase CPO and PK from us. For CPO, the credit period indicated in our contracts is typically 7 days from the invoice date. For PK, payments are made before the collection of goods. In general, we are subject to penalty charges if the quality of CPO, PK or FFB is below their respective thresholds set out in the relevant contract or purchase order with our customer. The normal credit period granted to our customers under our trading and support services segment ranges from 30 to 90 days from the date of our invoice.

A summary of our trade receivables turnover period during the Financial Years Under Review is set out below:

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Average trade receivables ⁽¹⁾	47,404	62,944	62,502	39,882
Revenue	1,020,759	1,549,235	1,751,645	1,253,445
Trade receivables turnover period ⁽²⁾ (days)	17	15	13	12

12. FINANCIAL INFORMATION (CONT'D)**Notes:**

- (1) Computed as the average of trade receivables at the beginning and at the end of the respective financial years.
- (2) Computed as the average of trade receivables over our revenue for the respective financial years multiplied by 366 days for the FYE 2020, 365 days for the FYE 2021, FYE 2022 and FYE 2023.

During the Financial Years Under Review, our trade receivables turnover period has been decreasing from 17 days for the FYE 2020 to 15 days for the FYE 2021 and further decreased to 13 and 12 days for the FYE 2022 and FYE 2023 respectively, due to improvement in cash collection as a result of enhanced collection efforts and tightened credit control procedures through close monitoring of overdue trade receivables as well as constant reminders and continuous engagement with our customers on the outstanding amount. The trade receivables turnover period is higher than our credit term of 7 days as our customers conduct a quality review of the CPO and PK before settling our invoices.

The ageing analysis of our trade receivables as at 31 December 2023 and the subsequent collections up to the LPD are as follows:

	Exceeding credit period				Total (RM'000)
	Within credit period (RM'000)	Not more than 30 days overdue (RM'000)	Between 31 to 120 days overdue (RM'000)	More than 120 days overdue (RM'000)	
Trade receivables as at 31 December 2023	33,741	633	2,876	2,263	39,513
% of total trade receivables	85.4%	1.6%	7.3%	5.7%	100.0%
Subsequent collections up to the LPD	33,631	604	2,215	299	36,749
Outstanding trade receivables as at the LPD	110	29	661	1,964	2,764
% of total trade receivables	0.3%	0.1%	1.6%	5.0%	7.0%

As at the LPD, we have collected approximately RM36.7 million or 92.9% of our total trade receivables of RM39.5 million which were outstanding as at 31 December 2023. We have made an impairment loss allowance of approximately RM1.7 million for the FYE 2023 in respect of trade receivables from our trading and support services segment which had been overdue for more than 120 days as we continue our collection efforts with the relevant customers.

Save for the above, our Board is of the opinion that our remaining outstanding trade receivables are recoverable and that no further provision for impairment is required after taking into consideration our relationship with these customers and their historical payment trends.

(ii) Trade payables turnover period

The credit period typically granted to us by our suppliers ranges between 30 days to 60 days. Our trade payables turnover period generally falls within the credit period extended to us by our suppliers. Our trade payables relate to transactions with external suppliers.

12. FINANCIAL INFORMATION (CONT'D)

A summary of our trade payables turnover period during the Financial Years Under Review is set out below:

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Average trade payables ⁽¹⁾	74,575	51,265	48,001	46,684
Cost of sales	735,780	921,487	981,698	890,392
Trade payables turnover period ⁽²⁾ (days)	37	20	18	19

Notes:

- (1) Computed as the average of trade payables at the beginning and at the end of the respective financial years.
- (2) Computed as the average of trade payables over our cost of sales for the respective financial years multiplied by 366 days for the FYE 2020, 365 days for the FYE 2021, FYE 2022 and FYE 2023.

We endeavour to maintain good business relationship with our suppliers through timely payments for all accepted goods or services. During the Financial Years Under Review, our trade payables turnover period decreased from 37 days for the FYE 2020 to 20 days for the FYE 2021, and further decreased to 18 days for the FYE 2022. Such decrease was mainly attributed to our conscious decision in reducing our trade payables in line with shorter collection period with our customers.

For the FYE 2022 and FYE 2023, our trade payables turnover period increased marginally from 18 days to 19 days.

The ageing analysis of our trade payables as at 31 December 2023 and the subsequent payments up to the LPD are as follows:

	<u>Exceeding credit period</u>				<u>Total</u> (RM'000)
	<u>Within</u> <u>credit</u> <u>period</u> (RM'000)	<u>Not more</u> <u>than 30</u> <u>days</u> <u>overdue</u> (RM'000)	<u>Between</u> <u>31 to 120</u> <u>days</u> <u>overdue</u> (RM'000)	<u>More than</u> <u>120 days</u> <u>overdue</u> (RM'000)	
Trade payables as at 31 December 2023	36,253	11,700	5,050	672	53,675
% of total trade payables	67.5%	21.8%	9.4%	1.3%	100.0%
Subsequent payments up to the LPD	35,440	9,096	1,986	441	46,963
Outstanding trade payables as at the LPD	813	2,604	3,064	231	6,712
% of total trade payables	1.5%	4.9%	5.7%	0.4%	12.5%

As at the LPD, we have paid approximately RM47.0 million or 87.5% of our total trade payables of RM53.7 million which were outstanding as at 31 December 2023. For the Financial Years Under Review, there was no matter in dispute with respect to trade payables, or legal action initiated by any of our suppliers to demand for payment.

12. FINANCIAL INFORMATION (CONT'D)**(iii) Inventories turnover period**

A summary of our inventories turnover period during the Financial Years Under Review is set out below:

	<-----Audited----->			
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Average inventories ⁽¹⁾	17,852	20,075	44,178	48,291
Cost of sales	735,780	921,487	981,698	890,392
Inventories turnover period ⁽²⁾ (days)	9	8	16	20
- raw materials and consumables (days)	3	3	10	12
- agricultural produce and finished goods (days)	6	5	6	8

Notes:

- (1) Computed as the average of inventories at the beginning and at the end of the respective financial years.
- (2) Computed as average of inventories over our cost of sales for the respective financial years multiplied by 366 days for the FYE 2020, 365 days for the FYE 2021, FYE 2022 and FYE 2023.

Our inventories primarily comprise raw materials, the majority of which is FFB that we produce on our plantation estates, and consumables, including fertilisers, chemicals, spare parts and fuels. Our inventories also include agricultural produce and finished goods such as CPO and PK that we produce at our POMs.

Our raw materials and consumables as at 31 December 2022 increased to RM46.5 million (31 December 2021: RM7.9 million), resulting in a higher inventories turnover period of 16 days for the FYE 2022 as compared to 8 days for the FYE 2021. This was mainly due to deferment of our manuring programme to 2023 as we allocated more estate workers to harvesting in 2022, and consequently, some of the fertilisers bought during the FYE 2022 remained unutilised, leading to higher closing stock of fertiliser as at 31 December 2022. Our inventories turnover period increased further to 20 days due to higher average inventories as we continue to purchase fertiliser during the FYE 2023 for our implementation of our deferred manuring program.

We review our inventories for write-offs periodically. Our estate managers and agronomists monitor our inventory of consumables and chemicals respectively, and recommend write-offs when inventory is deemed obsolete and no longer usable. During the FYE 2021, we wrote off inventories amounting to RM0.2 million due to culling and deceased oil palm seedlings.

(iv) Current ratio

A summary of our current ratio during the Financial Years Under Review is set out below:

	<-----Audited----->			
	31 December 2020 (RM'000)	31 December 2021 (RM'000)	31 December 2022 (RM'000)	31 December 2023 (RM'000)
Current assets	331,898	453,168	349,796	358,017
Current liabilities	352,180	353,810	344,497	353,438
Current ratio ⁽¹⁾ (times)	0.9	1.3	1.0	1.0

12. FINANCIAL INFORMATION (CONT'D)**Note:**

(1) Computed as current assets divided by current liabilities.

As at 31 December 2021, our current ratio increased to 1.3 times (31 December 2020: 0.9 times), primarily due to the following reasons:

- (i) increase in our cash and cash equivalents to RM198.3 million (31 December 2020: RM156.5 million) due to net cash inflows from our business operations during the financial year of RM41.8 million;
- (ii) increase in our trade and other receivables to RM165.1 million (31 December 2020: RM109.5 million) in line with higher revenue for the year; and
- (iii) higher fair value of biological assets at RM39.5 million (31 December 2020: RM19.1 million) in line with the increase in average CPO prices.

As at 31 December 2022, our current ratio decreased to 1.0 times (31 December 2021: 1.3 times), primarily due to lower cash and cash equivalents at RM25.5 million (31 December 2021: RM198.3 million) arising from the repatriation of cash to our immediate holding company and related companies as part of the effect of business combination under common control where the cash held in Kulim's plantation business was not transferred to our Group during the Pre-Listing Restructuring. This was, however, partly offset by a higher level of inventories at RM66.7 million (31 December 2022: RM21.7 million).

Our current ratio remained unchanged at 1.0 times as at 31 December 2023.

(v) Gearing ratio

A summary of our gearing ratio during the Financial Years Under Review is set out below:

	<-----Audited----->			
	31 December 2020 (RM'000)	31 December 2021 (RM'000)	31 December 2022 (RM'000)	31 December 2023 (RM'000)
Total borrowings	2,042,062	1,878,630	1,767,560	1,627,217
Total lease liabilities	2,052	2,273	1,418	107,255
Equity attributable to owners of our Group	1,643,423	1,873,219	1,975,790	2,243,740
Gearing ratio ⁽¹⁾ (times)	1.2	1.0	0.9	0.8
Net gearing ratio ⁽²⁾ (times)	1.1	0.9	0.9	0.7

Notes:

- (1) Computed as the sum of total borrowings and total lease liabilities over the equity attributable to owners of our Group.
- (2) Computed as net borrowings (the sum of total borrowings and total lease liabilities less cash and cash equivalents) over the equity attributable to owners of our Group.

Our gearing ratio decreased to 1.0 times as at 31 December 2021 (31 December 2020: 1.2 times) and further to 0.9 times as at 31 December 2022, primarily due to repayment of term loan and revolving credit, and an increase in our NA as a result of profit generated during the financial year, which was partly offset by the dividend paid.

Our gearing ratio decreased marginally to 0.8 times as at 31 December 2023 (31 December 2022: 0.9 times), primarily due to repayment of the amount due to Kulim via the Capitalisation.

12. FINANCIAL INFORMATION (CONT'D)**12.4.4 Borrowings**

As at 31 December 2023, our total outstanding borrowings amounted to approximately RM1.6 billion, further details of which are set out below:

Type of borrowings	Purpose	Maturity	Interest rate	As at 31 December 2023 (RM'000)
Non-current				
Secured term loans (comprising the STF-i Facility, TF-i Facility and other facilities)	(i) Refinancing of existing borrowings;	2026 - 2033	4.32% - 5.50%	1,413,744
	(ii) Payment for the Privatisation of Kulim;			
	(iii) Working capital; and			
	(iv) Capital expenditure for the construction of biomethane and bio-CNG plants			
				1,413,744
Current				
Secured term loans (comprising the STF-i Facility, TF-i Facility and other facilities)	(i) Refinancing of existing borrowings;	2026 - 2033	4.32% - 5.50%	211,442
	(ii) Payment for the Privatisation of Kulim;			
	(iii) Working capital; and			
	(iv) Capital expenditure for the construction of biomethane plant			
Revolving credit (comprising the RC-i Facility)	Working capital	-	5.92%	2,000
Hire purchase	Purchase of motor vehicle	2024	3.46%	31
				213,473
Total borrowings				1,627,217

The maturity profile of our total outstanding borrowings as at 31 December 2023 is as follows:

	RM'000
Within 1 year	213,473
1 to 2 years	627,788
2 to 5 years	313,024
More than 5 years	472,932
Total	1,627,217

We have not defaulted on payments of either interest or principal sums in respect of any borrowings throughout the Financial Years Under Review and up to the LPD. We also do not encounter any seasonality in our borrowings trend and there is no restriction on our committed borrowing facilities. As at the LPD, we are not in breach of the terms and conditions, or covenants associated with our credit arrangements or bank loans.

12. FINANCIAL INFORMATION (CONT'D)**Proposed Sukuk Programme**

In addition, we are considering to establish the Proposed Sukuk Programme of up to RM3.0 billion after our Listing to raise proceeds for our capital expenditure, working capital requirements, investments, general corporate purposes and/or the refinancing of our Group's borrowings. We have appointed Maybank Investment Bank Berhad as our Principal Adviser for the Proposed Sukuk Programme. The appointed Joint Lead Arrangers for the Proposed Sukuk Programme are CIMB IB and Maybank Investment Bank Berhad, while the appointed Joint Lead Managers for the Proposed Sukuk Programme are Affin Hwang IB, AmlInvestment Bank, Bank Islam Malaysia Berhad, CIMB IB and Maybank Investment Bank Berhad.

The principal terms and conditions of the Proposed Sukuk Programme, such as its tenure, coupon rate and redemption features have not been finalised as at the LPD. Barring any unforeseen circumstances, the Proposed Sukuk Programme is expected to be established in the 3rd quarter of 2024. Any issuance under the Proposed Sukuk Programme is subject to several factors, such as demand from investors, interest rate fluctuations as well as prevailing economic and market conditions.

The Proposed Sukuk Programme will not have any impact on our IPO and is not conditional upon our IPO and Listing, and vice versa. However, the Proposed Sukuk Programme, upon drawdown, is expected to increase our total borrowings and gearing ratio which may limit our accessibility to further borrowings in the future, the impact of which is dependent on the amount of proceeds raised under the Proposed Sukuk Programme. For illustrative purposes, assuming a full drawdown of the Proposed Sukuk Programme, our pro forma total borrowings and gearing ratio after our IPO and taking into consideration the use of proceeds from the Public Issue, are expected to increase to approximately RM3.3 billion (31 December 2023: RM1.6 billion) and 1.3 times (31 December 2023: 0.8 times) respectively. Nonetheless, it is our intention to maintain a gearing ratio of less than 1.0 times to comply with our financial covenants and we will continue to monitor and review our capital structure, gearing and debt commitments to ensure that we are able to meet our debt obligations at all times.

12.4.5 Material capital commitments

Save as disclosed below, we do not have any other material capital commitments as at the LPD:

	RM'000
Property, plant and equipment:	
• Authorised and contracted for	23,828
• Authorised but not contracted for	72,510
	<u>96,338</u>
Operating lease commitments:	
• Expiring not later than 1 year	8,213
• Expiring later than 1 year and not later than 5 years	8,504
	<u>16,717</u>
Total	<u>113,055</u>

We expect to meet our capital expenditure requirements using our internally generated funds (which include our cash and cash equivalents and cash generated from future operations), external financing and bank borrowings.

Pursuant to the Shareholders' Agreement, we have also committed up to RM91.8 million for the subscription of new ordinary shares in JPG Fuji and the subscription proceeds will be used to partially fund the construction of an integrated sustainable palm oil complex. Please refer to Section 4.5.1 of this Prospectus for further details of the capital expenditure on the integrated sustainable palm oil complex and use of proceeds arising from the Public Issue.

12. FINANCIAL INFORMATION (CONT'D)

12.4.6 Contingent liabilities

As at the LPD, we have not provided any corporate guarantees in favour of various financial institutions in respect of credit facilities extended to our subsidiaries.

Save as disclosed above, as at the LPD, we do not have any material contingent liabilities which, upon becoming enforceable, may have a material adverse impact on our results of operations or financial position.

12.4.7 Financial risk management

We are exposed to certain financial risks arising from our operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk. Our financial risk management objective is to minimise potential adverse effects on our financial performance. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to our financial risk management policies. We have used derivative financial instruments such as future commodities sales contracts, which are agreements to sell a specified quantity of CPO at a predetermined price on a future date, and interest rate swaps in the past, and from time to time may use such instruments in the future, to hedge certain exposures.

Our Board has overall responsibility for the oversight of financial risk management, including the identification of operational and strategic risks, and subsequent action plans to manage these risks. Our Board regularly reviews these risks and approves the policies covering the management of these risks. Our management is responsible for identifying, monitoring and managing our risk exposures.

We are not exposed to foreign exchange risk or translation effect as we operate entirely within Malaysia and conduct our operations in RM.

12.4.8 Off-balance sheet arrangements

We did not have any off-balance sheet arrangements during the Financial Years Under Review.

12.4.9 Significant changes on the financial position

There are no significant changes that have occurred which may have a material effect on the financial position and results of our Group subsequent to the FYE 2023 and up to the LPD.

12.4.10 Order book

We do not maintain an order book due to the nature of our business whereby our sales are carried out based on purchase orders received from our customers on an on-going basis.

12.5 TREND INFORMATION

As at the LPD, save as disclosed in this Prospectus, our operations have not been and are not expected to be affected by any of the following:

- (i) known trends, demands, commitments, events or uncertainties that have had, or that was reasonably expected to have, a material favourable or unfavourable impact on our financial performance, position and operations, save as disclosed in Sections 8 and 9 of this Prospectus;
- (ii) unusual, infrequent events or transactions or any significant economic changes that have materially affected our financial performance, position and operations;

12. FINANCIAL INFORMATION (CONT'D)

- (iii) known trends, demands, events or uncertainties that had resulted in a material impact on our revenue and/or profits, save for the interruption to business and operations as set out in Section 7.18 of this Prospectus, and our future plans and strategies as set out in Section 7.3 of this Prospectus;
- (iv) known trends, demands, events or uncertainties that are reasonably likely to make our historical consolidated financial statements not indicative of the future financial performance and position; and
- (v) known trends, demands, events or uncertainties that have had or that we reasonably expect to have, a material favourable or unfavourable impact on our liquidity and capital resources.

12.6 DIVIDEND POLICY

The payment of dividends by us will depend upon our distributable profits, financial performance and cash flow requirements for operations and capital expenditure as well as the covenants in our existing loan agreements with the respective financial institutions. In addition, changes in applicable accounting standards may also affect the ability of our subsidiaries, and consequently, our ability to declare and pay dividends.

In addition to the factors above which may affect the ability of our subsidiaries to pay dividend to us, when recommending the actual dividends for approval by shareholders or when declaring any interim dividend, our Board will also consider, among others:

- (i) the level of our cash, gearing, return on equity and retained profits;
- (ii) our expected financial performance;
- (iii) our working capital requirements;
- (iv) our projected levels of expenditure and other investment plans;
- (v) any restrictive covenants contained in our current and future financing arrangements; and
- (vi) any material impact of tax laws and regulatory requirements.

There is no dividend restriction imposed on our Group as at the LPD.

It is the intention of our Board to recommend and distribute a dividend of at least 50.0% of our annual audited PAT attributable to owners of our Group. This will allow our shareholders to participate in our profits while leaving adequate reserves for our future growth.

For information purposes, the dividends declared and paid by our Group in respect of the Financial Years Under Review are as follows:

	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Dividends declared	(2)318,000	(2)200,000	82,500	(2)69,793
Dividends paid	318,000	200,000	82,500	69,793
PAT attributable to owners of our Group	52,501	344,796	495,592	167,306
Dividend pay-out ratio ⁽¹⁾	605.7%	58.0%	16.6%	41.7%

12. FINANCIAL INFORMATION (CONT'D)

Notes:

- (1) Computed as dividends declared divided by PAT attributable to our shareholders.
- (2) Part of the dividend for the FYE 2020, FYE 2021 and FYE 2023 amounting to RM281.0 million, approximately RM82.7 million and approximately RM69.8 million respectively were declared to set-off the amount due from Kulim to our Group.

Subsequent to the FYE 2023 and up to the LPD, there is no dividend declared or paid by our Company or our subsidiaries to our respective shareholders. The dividends declared and paid for the Financial Years Under Review were funded via internally generated cash which were in excess of our Group's funding requirements for our business operations.

As at the LPD, we do not have any intention to declare any further dividends prior to our Listing.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modifications (including non-declaration) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that further dividends declared by our Board, if any, will not differ materially from historical pay-outs. Please refer to Section 9.3.5 of this Prospectus for the risk factor which may affect our ability to pay dividends.

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

12. FINANCIAL INFORMATION (CONT'D)**12.7 REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

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Strictly private and confidential

The Board of Directors
Johor Plantations Group Berhad
(formerly known as Johor Plantations Berhad)
 Level 11, Menara KOMTAR,
 Johor Bahru City Centre,
 80000 Johor Bahru,
 Johor, Malaysia.

26 May 2024

Dear Sirs,

Johor Plantations Group Berhad ("JPG" or the "Company") (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the "Group")

Report on the compilation of pro forma consolidated statements of financial position for inclusion in the Company's prospectus in connection with the initial public offering of up to 875,000,000 ordinary shares in the Company ("Shares") ("IPO") in conjunction with the listing of and quotation for the entire enlarged issued Shares on the Main Market of Bursa Malaysia Securities Berhad ("Prospectus") ("Listing")

We have completed our assurance engagement to report on the compilation of the pro forma consolidated statements of financial position of the Group as at 31 December 2023 ("Pro Forma Consolidated Statements of Financial Position"). The Pro Forma Consolidated Statements of Financial Position and the related notes as set out in Attachment A, have been stamped by us for identification purposes. The applicable criteria on the basis on which the Board of Directors of the Company (the "Directors") have compiled the Pro Forma Consolidated Statements of Financial Position are described in the notes to the Pro Forma Consolidated Statements of Financial Position. The Pro Forma Consolidated Statements of Financial Position is prepared in accordance with the requirements of Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma Consolidated Statements of Financial Position have been compiled by the Directors for inclusion in the Prospectus solely to illustrate the impact of the transactions as set out in the notes of Attachment A on the Group's consolidated statements of financial position as at 31 December 2023, as if the transactions had taken place as at 31 December 2023. As part of this process, information about the Group's consolidated financial position have been extracted by the Directors from the audited consolidated financial statements of the Group for the financial year ended 31 December 2023, on which an auditors' report dated 1 March 2024 have been issued.

12. FINANCIAL INFORMATION (CONT'D)

Johor Plantations Group Berhad (“JPG” or the “Company”)
(formerly known as Johor Plantations Berhad) and its subsidiaries (the “Group”)
 Report on the compilation of pro forma consolidated statements
 of financial position for inclusion in the Prospectus
 in connection with the Listing
 26 May 2024

Directors’ Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Directors are responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis described in the notes of Attachment A as required by the Prospectus Guidelines.

Reporting Accountants’ Independence and Quality Control

Our firm applies Malaysian Approved Standard on Quality Management 1, ISQM 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the *By-Laws (On Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion as required by the Prospectus Guidelines about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Directors on the basis described in the notes of Attachment A.

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis described in the notes of Attachment A.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position.

The purpose of the Pro Forma Consolidated Statements of Financial Position included in the Prospectus is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the Group as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

12. FINANCIAL INFORMATION (CONT'D)

Johor Plantations Group Berhad ("JPG" or the "Company")
(formerly known as Johor Plantations Berhad) and its subsidiaries (the "Group")
 Report on the compilation of pro forma consolidated statements
 of financial position for inclusion in the Prospectus
 in connection with the Listing
 26 May 2024

Reporting Accountants' Responsibilities (continued)

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Consolidated Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis described in the notes of Attachment A.

Other Matter

Our report on the Pro Forma Consolidated Statements of Financial Position have been prepared in connection with the Listing and should not be relied upon for any other purposes.

KPMG PLT
 (LLP0010081-LCA & AF 0758)
 Chartered Accountants

Muhammad Azman Bin Che Ani
 Approval Number: 02922/04/2026 J
 Chartered Accountant

12. FINANCIAL INFORMATION (CONT'D)**Attachment A****Johor Plantations Group Berhad (“JPG” or the “Company”) (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the “Group”)**

Pro Forma Consolidated Statements of Financial Position and the notes thereon

Pro Forma Consolidated Statements of Financial Position as at 31 December 2023

The Pro Forma Consolidated Statements of Financial Position of the Group as at 31 December 2023 (“Pro Forma Consolidated Statements of Financial Position”) as set out below have been prepared for illustrative purposes only to show the effects of the transactions referred to in Note 2 had these transactions been effected on 31 December 2023, and should be read in conjunction with the said notes to the Pro Forma Consolidated Statements of Financial Position.

		Pro Forma I	Pro Forma II	Pro Forma III
	Note	As at 31 December 2023* RM'000	After Share Split After Pro Forma I and the IPO RM'000	After Pro Forma II and the use of proceeds RM'000
Assets				
Property, plant and equipment		2,540,077	2,540,077	2,540,077
Right-of-use assets		1,684,305	1,684,305	1,684,305
Total non-current assets		<u>4,224,382</u>	<u>4,224,382</u>	<u>4,224,382</u>
Trade and other receivables		56,234	56,234	56,234
Biological assets		25,192	25,192	25,192
Inventories		29,892	29,892	29,892
Current tax assets		72,864	72,864	72,864
Other investments		26,382	26,382	26,382
Cash and cash equivalents	3(a)	140,688	140,688	530,448
		<u>351,252</u>	<u>351,252</u>	<u>741,012</u>
Assets classified as held for sale		6,765	6,765	6,765
Total current assets		<u>358,017</u>	<u>358,017</u>	<u>747,777</u>
Total assets		<u>4,582,399</u>	<u>4,582,399</u>	<u>4,972,159</u>

* Extracted from the audited consolidated financial statements of the Group for the financial year ended 31 December 2023.



12. FINANCIAL INFORMATION (CONT'D)

Attachment A

Johor Plantations Group Berhad (“JPG” or the “Company”) (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the “Group”)

Pro Forma Consolidated Statements of Financial Position and the notes thereon

		Pro Forma I	Pro Forma II	Pro Forma III	
	Note	As at 31 December 2023* RM'000	After Share Split RM'000	After Pro Forma I and the IPO RM'000	After Pro Forma II and the use of proceeds RM'000
Equity					
Share capital	3(b)	1,502,000	1,502,000	1,882,828	1,882,828
Other reserves		(617,202)	(617,202)	(617,202)	(617,202)
Retained earnings	3(c)	1,358,942	1,358,942	1,355,281	1,355,281
Equity attributable to owners of the Group		<u>2,243,740</u>	<u>2,243,740</u>	<u>2,620,907</u>	<u>2,620,907</u>
Non-controlling interests		15	15	15	15
Total equity		<u>2,243,755</u>	<u>2,243,755</u>	<u>2,620,922</u>	<u>2,620,922</u>
Liabilities					
Borrowings	3(d)	1,413,744	1,413,744	1,413,744	1,246,304
Lease liabilities		102,972	102,972	102,972	102,972
Employee benefits		10,780	10,780	10,780	10,780
Deferred tax liabilities		457,710	457,710	457,710	457,710
Total non-current liabilities		<u>1,985,206</u>	<u>1,985,206</u>	<u>1,985,206</u>	<u>1,817,766</u>
Trade and other payables	3(e)	135,682	135,682	148,275	135,682
Borrowings		213,473	213,473	213,473	213,473
Lease liabilities		4,283	4,283	4,283	4,283
Total current liabilities		<u>353,438</u>	<u>353,438</u>	<u>366,031</u>	<u>353,438</u>
Total liabilities		<u>2,338,644</u>	<u>2,338,644</u>	<u>2,351,237</u>	<u>2,171,204</u>
Total equity and liabilities		<u>4,582,399</u>	<u>4,582,399</u>	<u>4,972,159</u>	<u>4,792,126</u>

* Extracted from the audited consolidated financial statements of the Group for the financial year ended 31 December 2023.



12. FINANCIAL INFORMATION (CONT'D)**Attachment A**

Johor Plantations Group Berhad (“JPG” or the “Company”) (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the “Group”)

Pro Forma Consolidated Statements of Financial Position and the notes thereon

Supplementary information

	As at 31 December 2023*	Pro Forma I After Share Split	Pro Forma II After Pro Forma I and the IPO	Pro Forma III After Pro Forma II and the use of proceeds
Number of ordinary shares ('000)	1,502,000	2,036,000	2,500,000	2,500,000
Net assets per share attributable to owners of the Group [^] (RM)	1.49	1.10	1.05	1.05
Gearing ratio >	0.77	0.77	0.66	0.60
Net gearing ratio <	0.71	0.71	0.46	0.46

* Extracted from audited consolidated financial statements of the Group for the financial year ended 31 December 2023.

[^] Based on equity attributable to owners of the Group over the number of ordinary shares in the Company (“Shares”).

> Computed based on the sum of total borrowings and total lease liabilities over the Group’s total equity attributable to owners of the Group.

< Computed based on net borrowings (the sum of total borrowings and total lease liabilities less cash and cash equivalents) over the Group’s total equity attributable to owners of the Group.

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12. FINANCIAL INFORMATION (CONT'D)**Attachment A****Johor Plantations Group Berhad (“JPG” or the “Company”) (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the “Group”)**

Pro Forma Consolidated Statements of Financial Position and the notes thereon

Notes to the Pro Forma Consolidated Statements of Financial Position

The Pro Forma Consolidated Statements of Financial Position have been prepared for inclusion in the prospectus of the Company in connection with the initial public offering of up to 875,000,000 ordinary shares in the Company (“Shares”) (“IPO”) and in conjunction with the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad (“Listing”) and should not be relied upon for any other purposes.

1. Basis of preparation

The applicable criteria on the basis on which the Board of Directors of the Company (the “Directors”) have compiled the Pro Forma Consolidated Statements Financial Position are as described below. The Pro Forma Consolidated Statements Financial Position are prepared in accordance with the requirements of Chapter 9 of the Prospectus Guidelines issued by the Securities Commission Malaysia and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants.

The Pro Forma Consolidated Statements Financial Position have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2023, which were prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) as issued by the Malaysian Accounting Standards Board and IFRS Accounting Standards as issued by the International Accounting Standards Board, and in a manner consistent with the format of the statement of financial position and the accounting policies adopted by the Group, adjusted for the events and transactions detailed in Note 2.

The pro forma adjustments are appropriate for the purpose of preparing the Pro Forma Consolidated Statements of Financial Position.

The auditors’ report dated 1 March 2024 on the consolidated financial statements of the Group for the financial year ended 31 December 2023 was not subject to any qualification, modification or disclaimer of opinion.

The Pro Forma Consolidated Statements Financial Position are not necessarily indicative of the financial position that would have been attained had the IPO actually occurred at the respective dates. The Pro Forma Consolidated Statements Financial Position have been prepared for illustrative purposes only.

2. Pro forma adjustments to the Pro Forma Consolidated Statements of Financial Position

The Pro Forma Consolidated Statements of Financial Position illustrate the effects of the following events or transactions:

2.1 Pro Forma I – Share Split

The Share Split entails the subdivision of the Company’s existing 1,501,999,772 shares to 2,036,000,000 shares, in conjunction with the IPO.



12. FINANCIAL INFORMATION (CONT'D)**Attachment A**

Johor Plantations Group Berhad (“JPG” or the “Company”) (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the “Group”)
Pro Forma Consolidated Statements of Financial Position and the notes thereon

2. Pro forma adjustments to the Pro Forma Consolidated Statements of Financial Position (continued)

2.2 Pro Forma II – IPO

The IPO entails the initial public offering of up to 875,000,000 Shares which comprises the following:

(i) Public Issue

The Public Issue of 464,000,000 new Shares (“Issue Shares”) at an indicative price of RM0.84 per Issue Share raising total gross proceeds of approximately RM389.76 million.

(ii) Offer for Sale

The Offer for Sale by Kulim (Malaysia) Berhad (“Selling Shareholder”) of up to 411,000,000 existing Shares (“Offer Shares”) at an indicative price of RM0.84 per Offer Share raising total gross proceeds of up to approximately RM345.24 million.

The Company will not receive any proceeds from the Offer for Sale. The gross proceeds of approximately RM345.24 million from the Offer for Sale will accrue entirely to the Selling Shareholder.

(iii) Estimated listing expenses

The estimated listing expenses comprises the following:

	RM'000
Professional fees	9,416
Fees payable to authorities	1,168
Brokerage fee, underwriting commission and placement fees	6,823
Miscellaneous expenses and contingencies	1,343
	18,750

The total estimated listing expenses to be borne by the Company is estimated to be RM18.75 million. As of 31 December 2023, RM6.16 million has been paid and recognised in the profit or loss of the Group. The balance of the estimated listing expenses of RM12.59 million has been accrued in trade and other payables of which RM8.93 million directly attributable to the Public Issue will be debited against the share capital of the Company, and the remaining estimated listing expenses of RM3.66 million will be charged out to the profit or loss of the Group.



12. FINANCIAL INFORMATION (CONT'D)**Attachment A**

Johor Plantations Group Berhad (“JPG” or the “Company”) (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the “Group”)
Pro Forma Consolidated Statements of Financial Position and the notes thereon

2. Pro forma adjustments to the Pro Forma Consolidated Statements of Financial Position (continued)

2.3 Pro Forma III - Use of proceeds

The total gross proceeds from the Public Issue of approximately RM389.76 million are intended to be used as follows:

	RM'000
Capital expenditure ⁽¹⁾	196,829
Repayment of bank borrowings ⁽²⁾	167,440
Working capital	6,741
Estimated listing expenses ⁽³⁾	18,750
	389,760

Notes:

- (1) The Group has earmarked RM196.83 million of the total gross proceeds to be raised from the Public Issue, for its capital expenditure to construct an integrated palm oil complex as well as for its replanting activities as follows:

Details	RM'000
Construction of an integrated sustainable palm oil complex	171,600
Replanting activities	25,229
Total	196,829

As at the latest practicable date of 13 May 2024 (“LPD”), the Group has yet to enter into any contractual binding agreements or issued any purchase orders in relation to the above capital expenditure. Accordingly, such use of proceeds earmarked for capital expenditure is not reflected in the Pro Forma Consolidated Statements of Financial Position.

- (2) The use of proceeds earmarked by the Group for the repayment of bank borrowings totalling RM167.44 million is in relation to the repayment of RM97.44 million for its Syndicated Term Financing-i facility obtained from CIMB Islamic Bank Berhad, RHB Islamic Bank Berhad and Bank Islam Malaysia Berhad to refinance the Group’s existing borrowings and working capital requirements and RM70.00 million for its Term Financing-i facility obtained from CIMB Islamic Bank Berhad for the payment to its entitled shareholders pursuant to the privatisation of Kulim (Malaysia) Berhad.

- (3) The estimated listing expenses comprise the following:

	RM'000
Professional fees	9,416
Fees payable to authorities	1,168
Brokerage fee, underwriting commission and placement fees	6,823
Miscellaneous expenses and contingencies	1,343
	18,750

The total estimated listing expenses to be borne by the Company is estimated to be RM18.75 million. As of 31 December 2023, RM6.16 million has been paid and recognised in the profit or loss of the Group. The balance of the estimated listing expenses of RM12.59 million has been accrued in trade and other payables of which RM8.93 million directly attributable to the Public Issue will be debited against the share capital of the Company, and the remaining estimated listing expenses of RM3.66 million will be charged out to the profit or loss of the Group.



12. FINANCIAL INFORMATION (CONT'D)**Attachment A**

Johor Plantations Group Berhad (“JPG” or the “Company”) (formerly known as Johor Plantations Berhad) and its subsidiaries (collectively, the “Group”)
Pro Forma Consolidated Statements of Financial Position and the notes thereon

3. Effects on the Pro Forma Consolidated Statements of Financial Position**(a) Movements in cash and cash equivalents**

	RM'000
Balance as at 31 December 2023 / Pro Forma I	140,688
Effects of Pro Forma II:	
- Proceeds from the Public Issue	<u>389,760</u>
Pro Forma II	530,448
Effects of Pro Forma III:	
- Estimated listing expenses	(12,593)
- Repayment of borrowings using proceeds from the Public Issue	<u>(167,440)</u>
Pro Forma III	<u>350,415</u>

(b) Movement in share capital

	RM'000
Balance as at 31 December 2023 / Pro Forma I	1,502,000
Effects of Pro Forma II:	
- Public Issue	389,760
- Estimated listing expenses directly attributable to the Public Issue	<u>(8,932)</u>
Pro Forma II and III	<u>1,882,828</u>

(c) Movement in retained earnings

	RM'000
Balance as at 31 December 2023 / Pro Forma I	1,358,942
Effects of Pro Forma II:	
- Estimated listing expenses charged to profit or loss of the Group	<u>(3,661)</u>
Pro Forma II and III	<u>1,355,281</u>

(d) Movement in borrowings – non-current

	RM'000
Balance as at 31 December 2023 / Pro Forma I and II	1,413,744
Effects of Pro Forma III:	
- Repayment of borrowings using proceeds from the Public Issue	<u>(167,440)</u>
Pro Forma III	<u>1,246,304</u>

(e) Movement in trade and other payables – current

	RM'000
Balance as at 31 December 2023 / Pro Forma I	135,682
Effects of Pro Forma II:	
- Estimated listing expenses accrued	<u>12,593</u>
Pro Forma II	148,275
Effects of Pro Forma III:	
- Reversal of accrued estimated listing expenses upon payment using proceeds from the Public Issue	<u>(12,593)</u>
Pro Forma III	<u>135,682</u>



Johor Plantations Group Berhad
(formerly known as Johor Plantations Berhad)
(Registration No. 197801001260 (38290-V))
(Incorporated in Malaysia)
and its subsidiaries

**Accountants' Report on the
Consolidated Financial Statements**

Johor Plantations Group Berhad

(formerly known as Johor Plantations Berhad)

(Registration No. 197801001260 (38290-V))

(Incorporated in Malaysia)

and its subsidiaries**Consolidated statement of profit or loss and other comprehensive income for the financial year ended 31 December**

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Revenue	4	1,253,445	1,751,645	1,549,235	1,020,759
Cost of sales		(890,392)	(981,698)	(921,487)	(735,780)
Gross profit		363,053	769,947	627,748	284,979
Other income		15,019	10,961	30,934	23,721
Administrative expenses		(99,127)	(126,604)	(99,619)	(99,009)
Other operating expenses		(4,216)	(16,689)	(3,785)	(5,419)
Results from operating activities		274,729	637,615	555,278	204,272
Finance income		2,783	4,643	2,213	2,843
Finance costs	5	(90,592)	(73,138)	(68,943)	(89,504)
Profit before tax and zakat	6	186,920	569,120	488,548	117,611
Tax expense	7	(19,425)	(67,554)	(139,877)	(62,710)
Zakat	8	(1,770)	(6,202)	(4,055)	(2,595)
Profit for the year		165,725	495,364	344,616	52,306
Other comprehensive expense, net of tax					
Item that will not be reclassified subsequently to profit or loss					
Remeasurement of defined benefit liability, net of tax		(2,200)	-	-	-
Other comprehensive expense for the year, net of tax		(2,200)	-	-	-
Total comprehensive income for the year		163,525	495,364	344,616	52,306

Consolidated statement of profit or loss and other comprehensive income for the financial year ended 31 December (continued)

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Profit attributable to:					
Owner of the Group		167,306	495,592	344,796	52,501
Non-controlling interest		(1,581)	(228)	(180)	(195)
Profit for the year		<u>165,725</u>	<u>495,364</u>	<u>344,616</u>	<u>52,306</u>
Total comprehensive income attributable to:					
Owner of the Group		165,106	495,592	344,796	52,501
Non-controlling interest		(1,581)	(228)	(180)	(195)
Total comprehensive income for the year		<u>163,525</u>	<u>495,364</u>	<u>344,616</u>	<u>52,306</u>
Basic/Diluted earnings per ordinary share (sen)	26	<u>8</u>	<u>28</u>	<u>698</u>	<u>106</u>

The notes on pages 9 to 74 are an integral part of these consolidated financial statements.

Johor Plantations Group Berhad

(formerly known as Johor Plantations Berhad)

(Registration No. 197801001260 (38290-V))

(Incorporated in Malaysia)

and its subsidiaries**Consolidated statement of financial position as at 31 December**

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Assets					
Property, plant and equipment	9	2,540,077	2,461,941	2,438,257	2,424,139
Right-of-use assets	10	1,684,305	1,601,797	1,629,679	1,659,438
Intangible assets	11	-	627	627	749
Trade and other receivables	12	-	63,975	63,972	64,114
Total non-current assets		<u>4,224,382</u>	<u>4,128,340</u>	<u>4,132,535</u>	<u>4,148,440</u>
Biological assets	13	25,192	22,713	39,465	19,148
Inventories	14	29,892	66,690	21,666	18,484
Trade and other receivables	12	56,234	185,105	165,055	109,506
Current tax assets		72,864	23,881	1,074	1,026
Other investments	15	26,382	25,954	27,588	27,215
Cash and cash equivalents	16	140,688	25,453	198,320	156,519
		<u>351,252</u>	<u>349,796</u>	<u>453,168</u>	<u>331,898</u>
Assets classified as held for sale	17	6,765	-	-	-
Total current assets		<u>358,017</u>	<u>349,796</u>	<u>453,168</u>	<u>331,898</u>
Total assets		<u>4,582,399</u>	<u>4,478,136</u>	<u>4,585,703</u>	<u>4,480,338</u>
Equity					
Share capital	18	1,502,000	1,329,363	36,432	36,432
Invested equity	18	-	-	46,572	46,572
Other reserves	18	(617,202)	(617,202)	696,066	611,066
Retained earnings		1,358,942	1,263,629	1,094,149	949,353
Equity attributable to owner of the Group		<u>2,243,740</u>	<u>1,975,790</u>	<u>1,873,219</u>	<u>1,643,423</u>
Non-controlling interests		<u>15</u>	<u>502</u>	<u>730</u>	<u>235</u>
Total equity		<u>2,243,755</u>	<u>1,976,292</u>	<u>1,873,949</u>	<u>1,643,658</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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Consolidated statement of financial position as at 31 December (continued)

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Liabilities					
Trade and other payables	23	-	101,200	-	-
Deferred tax liabilities	19	457,710	461,590	585,846	574,414
Borrowings	20	1,413,744	1,587,209	1,762,983	1,900,440
Employee benefits	21	10,780	6,666	8,080	8,517
Lease liabilities	22	102,972	682	1,035	1,129
Total non-current liabilities		<u>1,985,206</u>	<u>2,157,347</u>	<u>2,357,944</u>	<u>2,484,500</u>
Trade and other payables	23	135,682	148,773	205,259	188,383
Borrowings	20	213,473	180,351	115,647	141,622
Derivative financial liabilities	24	-	-	-	3,788
Lease liabilities	22	4,283	736	1,238	923
Current tax liabilities		-	14,637	31,666	17,464
Total current liabilities		<u>353,438</u>	<u>344,497</u>	<u>353,810</u>	<u>352,180</u>
Total liabilities		<u>2,338,644</u>	<u>2,501,844</u>	<u>2,711,754</u>	<u>2,836,680</u>
Total equity and liabilities		<u>4,582,399</u>	<u>4,478,136</u>	<u>4,585,703</u>	<u>4,480,338</u>

The notes on pages 9 to 74 are an integral part of these consolidated financial statements.

13. ACCOUNTANTS' REPORT (CONT'D)

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Johor Plantations Group Berhad

(formerly known as Johor Plantations Berhad)
 (Registration No. 197801001260 (38290-V))
 (Incorporated in Malaysia)

and its subsidiaries**Consolidated statement of changes in equity for the financial year ended 31 December**

	Note	Share capital RM'000	Invested equity RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2020		36,432	46,572	295,112	1,214,852	1,592,968	(20)	1,592,948
Profit and total comprehensive income for the year		-	-	-	52,501	52,501	(195)	52,306
Issuance of shares to non-controlling interests		-	-	-	-	-	450	450
Dividends paid to the owner of the Company	25	-	-	-	(318,000)	(318,000)	-	(318,000)
Effect of business combination under common control		-	-	315,954	-	315,954	-	315,954
Total transactions with owner of the Company		-	-	315,954	(318,000)	(2,046)	450	(1,596)
At 31 December 2020/1 January 2021		36,432	46,572	611,066	949,353	1,643,423	235	1,643,658
Profit and total comprehensive income for the year		-	-	-	344,796	344,796	(180)	344,616
Issuance of shares to non-controlling interests		-	-	-	-	-	675	675
Dividends paid to the owner of the Company	25	-	-	-	(200,000)	(200,000)	-	(200,000)
Effect of business combination under common control		-	-	85,000	-	85,000	-	85,000
Total transactions with owner of the Company		-	-	85,000	(200,000)	(115,000)	675	(114,325)
At 31 December 2021/1 January 2022		36,432	46,572	696,066	1,094,149	1,873,219	730	1,873,949

13. ACCOUNTANTS' REPORT (CONT'D)

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Consolidated statement of changes in equity for the financial year ended 31 December (continued)

	Note	Share capital RM'000	Invested equity RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 31 December 2021/1 January 2022		36,432	46,572	696,066	1,094,149	1,873,219	730	1,873,949
Profit and total comprehensive income for the year		-	-	-	495,592	495,592	(228)	495,364
Dividends paid to the owner of the Company	25	-	-	-	(82,500)	(82,500)	-	(82,500)
Effect of business combination under common control:								
- Acquisition of business	32.1	961,819	-	(1,028,728)	(197,612)	(264,521)	-	(264,521)
- Acquisition of subsidiaries	32.2	331,112	(46,572)	(284,540)	(46,000)	(46,000)	-	(46,000)
Total transactions with owner of the Company		1,292,931	(46,572)	(1,313,268)	(326,112)	(393,021)	-	(393,021)
At 31 December 2022/1 January 2023		1,329,363	-	(617,202)	1,263,629	1,975,790	502	1,976,292
Remeasurement of defined benefit liability, net of tax		-	-	-	(2,200)	(2,200)	-	(2,200)
Total other comprehensive income for the year		-	-	-	(2,200)	(2,200)	-	(2,200)
Profit for the year		-	-	-	167,306	167,306	(1,581)	165,725
Total comprehensive income for the year		-	-	-	165,106	165,106	(1,581)	163,525
Issuance of shares to non-controlling interest		-	-	-	-	-	1,094	1,094
Issue of ordinary shares	23.1	172,637	-	-	-	172,637	-	172,637
Dividends paid to the owner of the Company	25	-	-	-	(69,793)	(69,793)	-	(69,793)
Total transactions with owner of the Company		172,637	-	-	(69,793)	102,844	1,094	103,938
At 31 December 2023		1,502,000	-	(617,202)	1,358,942	2,243,740	15	2,243,755
		Note 18	Note 18	Note 18				

The notes on pages 9 to 74 are an integral part of these consolidated financial statements.

13. ACCOUNTANTS' REPORT (CONT'D)

Johor Plantations Group Berhad

(formerly known as Johor Plantations Berhad)

(Registration No. 197801001260 (38290-V))

(Incorporated in Malaysia)

and its subsidiaries**Consolidated statement of cash flows for the financial year ended 31 December**

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Cash flows from operating activities					
Profit before tax and zakat		186,920	569,120	488,548	117,611
<i>Adjustments for:</i>					
Change in fair value on biological assets	13	(2,479)	16,752	(20,317)	(13,257)
Depreciation of property, plant and equipment	9	79,664	78,838	76,033	77,630
Amortisation of right-of-use assets	10	29,064	28,108	31,130	29,664
Interest income		(2,783)	(4,643)	(2,213)	(2,843)
Interest expense	5	90,592	73,138	68,943	89,504
Written off of property, plant and equipment		3,763	232	66	805
Others		1,501	829	664	5,561
Operating profit before changes in working capital		386,242	762,374	642,854	304,675
Change in inventories		36,798	(45,024)	(3,182)	4,447
Change in trade and other payables		(67,708)	(56,721)	16,876	82,545
Change in trade and other receivables		123,145	(44,488)	(55,210)	(98,804)
Cash generated from operations		478,477	616,141	601,338	292,863
Tax paid		(93,245)	(235,822)	(116,914)	(46,066)
Tax refund		5,282	1,561	2,623	7,576
Zakat paid		(1,770)	(6,202)	(4,055)	(2,595)
Employee benefits paid	21	(829)	(2,368)	(1,262)	(450)
Net cash flows generated from operating activities		387,915	373,310	481,730	251,328
Cash flows used in investing activities					
Acquisition of property, plant and equipment	9	(167,911)	(101,777)	(86,658)	(73,468)
Acquisition of leasehold land		(2,701)	-	-	-
Proceeds from disposal of property, plant and equipment		117	2,803	77	-
Interest received		2,494	2,767	2,016	2,843
Placement of fixed deposit with licensed bank		(428)	-	(373)	-
Withdrawal of deposits placed and pledged with licensed bank		-	1,634	-	-
Net cash flows used in investing activities		(168,429)	(94,573)	(84,938)	(70,625)

13. ACCOUNTANTS' REPORT (CONT'D)

Consolidated statement of cash flows for the financial year ended 31 December (continued)

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Cash flows used in financing activities					
Dividend paid	25	-	(82,500)	(200,000)	(318,000)
Interest paid		(88,249)	(76,330)	(72,184)	(90,305)
Advance from immediate holding company	23.1	144,000	-	-	-
Repatriation of cash from immediate holding company		-	-	85,000	315,954
Repatriation of cash to immediate holding company		-	(220,256)	-	-
Repatriation of cash to related companies		-	(61,339)	-	-
Proceeds from issuance of shares to non-controlling interests		-	-	675	450
Repayment of derivative		-	-	(3,788)	-
Repayment of advancement from immediate holding company		(14,650)	-	-	-
Repayment of borrowings	20	(179,606)	(407,536)	(243,036)	(354,053)
Payment of lease liabilities	22	(5,042)	(1,309)	(1,262)	(1,045)
Proceeds from borrowings	20	39,296	397,666	79,604	299,971
Net cash flows used in financing activities		<u>(104,251)</u>	<u>(451,604)</u>	<u>(354,991)</u>	<u>(147,028)</u>
Net increase/(decrease) in cash and cash equivalents					
		115,235	(172,867)	41,801	33,675
Cash and cash equivalents at 1 January		25,453	198,320	156,519	122,844
Cash and cash equivalents at 31 December	16	<u>140,688</u>	<u>25,453</u>	<u>198,320</u>	<u>156,519</u>

(i) Acquisition of property, plant and equipment

During the year, the Group acquired property, plant and equipment with an aggregate cost of RM168.33 million (2022: RM105.56 million, 2021: RM90.22 million, 2020: RM74.57 million) of which RM0.42 million (2022: RM3.78 million, 2021: RM3.57 million, 2020: RM1.10 million) was acquired by means of capitalisation of interest expense as stated in Note 5 to the consolidated financial statements.

The notes on pages 9 to 74 are an integral part of these consolidated financial statements.

Johor Plantations Group Berhad

(formerly known as Johor Plantations Berhad)

(Registration No. 197801001260 (38290-V))

(Incorporated in Malaysia)

and its subsidiaries

Notes to the consolidated financial statements

Johor Plantations Group Berhad (formerly known as Johor Plantations Berhad) ("JPG" or the "Company") is a public limited liability company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

K.B. 705 Ulu Tiram Estate

81800 Ulu Tiram

Johor

Registered office

Level 11, Menara KOMTAR

Johor Bahru City Centre

80000 Johor Bahru

Johor

The Company is principally engaged in the production of palm oil and palm kernels, whilst the principal activities of the subsidiaries are as stated in Note 3 to the financial statements. There has been no change in the nature of these activities during the financial years.

The immediate holding company of the Company is Kulim (Malaysia) Berhad, a public limited liability company incorporated and domiciled in Malaysia. The ultimate holding corporation is Johor Corporation, a body corporate established under the Johor Corporation Enactment No. 4, 1968 (as amended by the Enactment No. 5, 1995).

1. Basis of preparation

(a) Statement of compliance

The consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") have been prepared in connection with the listing of and quotation for the entire issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and for no other purposes.

The consolidated financial statements of the Company for the financial years ended 31 December 2023, 31 December 2022, 31 December 2021 and 31 December 2020 were prepared in a manner as if the entities under common control were operating as a single economic entity at the beginning of the earliest comparative year presented or, if later, at the date that common control were established. Please refer to note 3.2 on the material accounting policy information on business combination under common control.

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The consolidated financial statements of the Group for the financial years ended 31 December 2023, 31 December 2022, 31 December 2021 and 31 December 2020, have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the Prospectus Guidelines – Equity issued by the Securities Commission Malaysia (the "SC").

The following are amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group:

Amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendment to MFRS 107, *Statement of Cash Flows – Supplier Finance Agreements*

Amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

Amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned amendments:

- from the annual period beginning on 1 January 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.
- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.

The initial application of the abovementioned amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

1. Basis of preparation (continued)

(c) Functional and presentation currency

These consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 13 - Fair value of biological assets

2. Changes in material accounting policies

2.1 Material accounting policy information

The Group adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 - Disclosures of Accounting Policies from 1 January 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

2.2 Global minimum top-up tax

The Group also adopted International Tax Reform - Pillar Two Model Rules upon their release on 2 June 2023. The amendments provide a temporary mandatory relief from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure.

The temporary mandatory relief applies retrospectively. However, there was no new legislation enacted or substantively enacted to implement the top-up tax at 31 December 2022 in the jurisdictions in which the Group operates. The retrospective application has no impact on the Group's consolidated financial statements.

13. ACCOUNTANTS' REPORT (CONT'D)

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3. Subsidiaries

The details of the subsidiaries are as follows:

Name of company	Principal place of business	Principal activities	Effective ownership interest			
			2023 %	2022 %	2021 %	2020 %
Pembangunan Mahamurni Sdn. Bhd.#	Malaysia	Investment holding	-	100	100	100
JPG Plantations Sdn. Bhd. (formerly known as Kulim Plantations (Malaysia) Sdn. Bhd.)	Malaysia	Production of palm oil and palm kernels	100	100	-	-
JPG Jenterra Sdn. Bhd. (formerly known as Edaran Badang Sdn. Bhd.)	Malaysia	Dealer in agricultural machinery and parts	100	100	-	-
JPG Planterra Sdn. Bhd. (formerly known as Cultination Sdn. Bhd.)	Malaysia	Sales of palm nursery and other plantation products and services	100	100	-	-
JPG Terrasolutions Sdn. Bhd. (formerly known as Kulim Safety Training and Services Sdn. Bhd.)	Malaysia	Provision of training and safety products and services	100	100	-	-
JPG Greenergy Ventures Sdn. Bhd. (formerly known as Kulim Green Energy Ventures Sdn. Bhd.)	Malaysia	Production of Bio-Methane	55	55	-	-
JPG Greenergy Sdn. Bhd. (formerly known as Kulim Greenergy Sdn. Bhd.)	Malaysia	Production of Bio-Methane	100	100	-	-

13. ACCOUNTANTS' REPORT (CONT'D)

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3. Subsidiaries (continued)

The details of the subsidiaries are as follows (continued) :

Name of company	Principal place of business	Principal activities	Effective ownership interest						
			2023 %	2022 %	2021 %	2020 %			
<i>Held through Pembangunan Mahamurni Sdn. Bhd.</i>									
United Malayan Agriculture Corporation Berhad#	Malaysia	Oil palm plantation	-	100	100	100			
<i>Held through JPG Terrasolutions Sdn. Bhd. (formerly known as Kulim Safety Training and Services Sdn. Bhd.)</i>									
Optimum Status Sdn. Bhd.#	Malaysia	Provision of mechanical and electrical services	-	100	-	-			

Disposed during the financial year 2023

3.1 Disposal of investment in subsidiaries in 2023

In February 2023, the Company entered into a share sale agreement with the immediate holding company to dispose 100% of the Company's shareholdings in Pembangunan Mahamurni Sdn. Bhd. and Optimum Status Sdn. Bhd. to the immediate holding company for a total purchase consideration of RM1 for each subsidiary payable by cash.

The disposals do not have any significant effect on the financial position and results of the Group.

3. Investments in subsidiaries (continued)

3.2 Material accounting policy information

Business combination arising from transfers of interests in entities or transfer of businesses in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's financial statements. The components of equity of the acquired entities are added to the same components within the Group's equity and any resulting gain or loss is recognised directly in equity.

Upon loss of control of a subsidiary to entities that are under the control of the shareholder that controls the Group, the surplus or deficit in respect of the consideration received over the aggregated carrying amounts of assets and liabilities as of the date of transaction is recognised in equity of the Group.

4. Revenue

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Revenue from contracts with customers				
Crude palm oil ("CPO")	1,078,339	1,486,584	1,308,543	872,185
Palm kernel ("PK")	161,548	242,449	219,089	129,552
Fresh fruit bunches ("FFB")	-	-	3,945	6,978
Trading and support service	12,941	22,612	17,658	12,044
Renewable energy	617	-	-	-
Total revenue	<u>1,253,445</u>	<u>1,751,645</u>	<u>1,549,235</u>	<u>1,020,759</u>
Timing of revenue recognition				
At a point in time	1,251,519	1,751,233	1,546,702	1,018,633
Over time	1,926	412	2,533	2,126
	<u>1,253,445</u>	<u>1,751,645</u>	<u>1,549,235</u>	<u>1,020,759</u>
Geographical market				
Malaysia	<u>1,253,445</u>	<u>1,751,645</u>	<u>1,549,235</u>	<u>1,020,759</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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4. Revenue (continued)**Nature of goods and services**

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration
FFB	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Credit period of 7 days from invoice date.	Penalty in relation to ripeness standard of the crop.
CPO	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Credit period of 7 days from invoice date.	There would be penalty charges where the quality of CPO is below certain threshold.
PK	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Before collection of goods.	There would be penalty charges where the quality of PK is below certain threshold.

Revenue from performance obligations that are unsatisfied at the reporting date are as follows:

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Crude palm oil	50,560	22,894	16,517	14,522
Palm kernel	17,116	1,193	12,130	15,229
	<u>67,676</u>	<u>24,087</u>	<u>28,647</u>	<u>29,751</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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5. Finance costs

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss	88,249	76,534	72,086	90,045
Interest expense on lease liabilities	2,046	31	98	260
Other finance cost	714	353	325	298
	<u>91,009</u>	<u>76,918</u>	<u>72,509</u>	<u>90,603</u>
Recognised in profit or loss	90,592	73,138	68,943	89,504
Interest expense of financial liabilities that are not at fair value through profit or loss capitalised into qualifying asset:				
- Property, plant and equipment	417	3,780	3,566	1,099
	<u>91,009</u>	<u>76,918</u>	<u>72,509</u>	<u>90,603</u>

6. Profit before tax and zakat

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Profit before tax and zakat is arrived after charging/ (crediting):				
<i>Auditors' remunerations</i>				
Audit fees:				
- KPMG PLT	450	362	-	-
- Other auditors	-	9	226	206
Non-audit fees:				
- KPMG PLT	1,075	50	-	-
- Local affiliates of KPMG PLT	249	408	-	-
- Others	-	-	103	29
<i>Material expenses/(income)</i>				
Depreciation of property, plant and equipment	79,664	78,838	76,033	77,630
Amortisation of right-of-use assets	29,064	28,108	31,130	29,664
Written off property, plant and equipment	3,763	232	66	805
Fair value (gain)/loss on biological assets	(2,479)	16,752	(20,317)	(13,257)
Waiver of debt by related company	(1,178)	-	-	-
Personnel expenses (including key management personnel):				
- Salaries, wages and allowances	197,138	183,081	163,545	161,283
- Bonuses	3,497	26,353	11,023	20,256
- Defined contribution plan	21,369	21,086	17,271	13,445
- Defined benefit plan	1,334	601	500	4,191
- Other benefits	11,347	12,195	8,367	13,089
	<u>234,685</u>	<u>243,316</u>	<u>200,706</u>	<u>212,264</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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7. Tax expense

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Recognised in profit or loss					
Current tax expense					
Current year		48,118	198,588	132,802	65,440
Overprovision in prior years		(25,508)	(6,778)	(4,357)	(2,165)
		<u>22,610</u>	<u>191,810</u>	<u>128,445</u>	<u>63,275</u>
Deferred tax expense					
Origination and reversal of temporary differences		(5,269)	(123,855)	14,028	(1,900)
Underprovision/ (Overprovision) in prior years		<u>2,084</u>	<u>(401)</u>	<u>(2,596)</u>	<u>1,335</u>
		<u>(3,185)</u>	<u>(124,256)</u>	<u>11,432</u>	<u>(565)</u>
Total income tax expense		<u>19,425</u>	<u>67,554</u>	<u>139,877</u>	<u>62,710</u>
Reconciliation of tax expense					
Profit before tax and zakat		<u>186,920</u>	<u>569,120</u>	<u>488,548</u>	<u>117,611</u>
Income tax calculated using Malaysian tax rate of 24% (2022: 24%, 2021: 24%, 2020: 24%)		44,861	136,589	117,252	28,227
Tax recognised at different rate	7.1	-	17,020	-	-
Non-deductible expenses		9,343	43,768	32,400	41,246
Non-taxable income		(11,256)	(8,948)	(2,539)	(5,931)
Effect of waiver of Real Property Gain Tax	7.2	-	(113,123)	-	-
Utilisation of previously unrecognised unutilised tax losses and unabsorbed capital allowance		(99)	(573)	(283)	(2)
Overprovision of current tax in prior years	7.3	(25,508)	(6,778)	(4,357)	(2,165)
Underprovision/ (Overprovision) of deferred tax in prior years		<u>2,084</u>	<u>(401)</u>	<u>(2,596)</u>	<u>1,335</u>
Total income tax expense		<u>19,425</u>	<u>67,554</u>	<u>139,877</u>	<u>62,710</u>

7. Tax expense (continued)

7.1 Prosperity tax

In the year of assessment 2022, a special one-off tax which is called 'Cukai Makmur' (Prosperity Tax) was imposed on non-micro, small and medium enterprise companies which generate high profits during the period of the COVID-19 pandemic. Chargeable income in excess of RM100 million was charged an income tax rate of 33% for YA 2022.

7.2 Waiver of Real Property Gain Tax

On 13 April 2022, the ultimate holding corporation, Johor Corporation ("JCorp") applied to Ministry of Finance ("MoF") for an exemption for Real Property Gain Tax ("RPGT") and stamp duty for several land and buildings under the Group in conjunction with the internal re-organisation exercise. On 2 November 2022 and 3 November 2022, MoF granted the waiver of RPGT and stamp duty to the said land and buildings which were subject to the completion of the internal restructuring of the Group on 1 December 2022. Consequently, the tax bases of freehold land, of which their carrying values will be realised through sale, have been revised to the transaction values as per the exemption application.

7.3 Overprovision of current tax expense

Overprovision of current tax expense in prior year in relation to the financial year ended 31 December 2023 relates to the Group's decision to claim certain expenses, of which based on initial judgment, applied a consistent approach with prior years not to claim these expenses.

8. Zakat

Zakat expense relates to zakat provided and paid during the financial year.

13. ACCOUNTANTS' REPORT (CONT'D)

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9. Property, plant and equipment

	Freehold land RM'000	Bearer assets RM'000	Immature fields RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture and equipment RM'000	Motor vehicles RM'000	Work-in- progress RM'000	Total RM'000
Cost									
At 1 January 2020	1,619,301	846,562	58,271	114,069	182,879	10,680	23,567	23,928	2,879,257
Additions	-	4,752	35,338	2,320	5,245	1,086	1,914	23,912	74,567
Disposals	-	-	-	(664)	(392)	(48)	(382)	-	(1,486)
Written off	-	(7,749)	-	(277)	(1,356)	(511)	(1,417)	-	(11,310)
Reclassification	-	5,628	(5,628)	391	3,166	96	3,267	(6,920)	-
At 31 December 2020/ 1 January 2021	1,619,301	849,193	87,981	115,839	189,542	11,303	26,949	40,920	2,941,028
Additions	-	934	27,553	9,202	20,242	1,816	3,133	27,344	90,224
Disposals	-	(5,004)	-	(49)	(124)	(16)	(212)	-	(5,405)
Written off	-	-	-	-	(301)	(398)	(1,989)	-	(2,688)
Reclassification	-	47,185	(47,185)	11,883	26,052	1,218	687	(39,840)	-
At 31 December 2021/ 1 January 2022	1,619,301	892,308	68,349	136,875	235,411	13,923	28,568	28,424	3,023,159
Additions	-	237	28,597	5,291	4,117	1,116	6,202	59,997	105,557
Disposals	-	(2,111)	-	(226)	(8)	(1)	(1,641)	-	(3,987)
Written off	-	(12,565)	-	(480)	(44)	(135)	(980)	(19)	(14,223)
Reclassification	-	36,697	(36,697)	3,260	7,337	115	289	(11,001)	-
At 31 December 2022/ 1 January 2023	1,619,301	914,566	60,249	144,720	246,813	15,018	32,438	77,401	3,110,506
Additions	4,203	-	45,981	6,762	42,289	7,537	5,506	56,050	168,328
Disposal	-	-	-	-	-	-	(321)	-	(321)
Written off	-	-	-	(180)	(9,759)	(169)	(557)	(326)	(10,991)
Reclassification	-	8,866	(8,866)	7,786	51,550	84	420	(59,840)	-
Effect of disposal of subsidiaries	-	-	-	-	(1)	(50)	(184)	-	(235)
Transfer to assets held for sale (Note 17)	(6,765)	-	-	-	-	-	-	-	(6,765)
At 31 December 2023	1,616,739	923,432	97,364	159,088	330,892	22,420	37,302	73,285	3,260,522

13. ACCOUNTANTS' REPORT (CONT'D)

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9. Property, plant and equipment (continued)

	Freehold land RM'000	Bearer assets RM'000	Immature fields RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture and equipment RM'000	Motor vehicles RM'000	Work-in- progress RM'000	Total RM'000
Accumulated depreciation									
At 1 January 2020	-	330,921	-	31,915	67,388	4,328	16,424	-	450,976
Depreciation for the year	-	45,856	-	7,033	18,314	2,659	3,768	-	77,630
Disposals	-	-	-	(664)	(388)	(56)	(386)	-	(1,494)
Written off	-	(7,027)	-	(276)	(1,291)	(504)	(1,407)	-	(10,505)
At 31 December 2020/ 1 January 2021	-	369,750	-	38,008	84,023	6,427	18,399	-	516,607
Depreciation for the year	-	44,728	-	7,309	18,416	2,117	3,463	-	76,033
Disposals	-	(5,004)	-	(47)	(49)	(16)	(212)	-	(5,328)
Written off	-	-	-	-	(245)	(392)	(1,985)	-	(2,622)
At 31 December 2021/ 1 January 2022	-	409,474	-	45,270	102,145	8,136	19,665	-	584,690
Depreciation for the year	-	45,669	-	8,486	19,789	1,864	3,030	-	78,838
Disposals	-	-	-	(38)	(8)	(1)	(1,137)	-	(1,184)
Written off	-	(12,520)	-	(328)	(43)	(134)	(966)	-	(13,991)
At 31 December 2022/ 1 January 2023	-	442,623	-	53,390	121,883	9,865	20,592	-	648,353
Depreciation for the year	-	43,177	-	8,880	21,394	2,120	4,093	-	79,664
Disposal	-	-	-	-	-	-	(321)	-	(321)
Written off	-	-	-	(177)	(6,360)	(167)	(524)	-	(7,228)
Effect of disposal of subsidiaries	-	-	-	-	(1)	(50)	(184)	-	(235)
At 31 December 2023	-	485,800	-	62,093	136,916	11,768	23,656	-	720,233

13. ACCOUNTANTS' REPORT (CONT'D)

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9. Property, plant and equipment (continued)

	Freehold land RM'000	Bearer assets RM'000	Immature fields RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture and equipment RM'000	Motor vehicles RM'000	Work-in- progress RM'000	Total RM'000
Accumulated impairment									
At 1 January 2020/ 31 December 2020/ 1 January 2021	-	-	-	-	215	38	29	-	282
Reversal of impairment loss	-	-	-	-	(70)	-	-	-	(70)
At 31 December 2021/ 1 January 2022/ 31 December 2022/ 1 January 2023/ 31 December 2023	-	-	-	-	145	38	29	-	212
Carrying amounts									
At 1 January 2021	1,619,301	479,443	87,981	77,831	105,304	4,838	8,521	40,920	2,424,139
At 31 December 2021/ 1 January 2022	1,619,301	482,834	68,349	91,605	133,121	5,749	8,874	28,424	2,438,257
At 31 December 2022/ 1 January 2023	1,619,301	471,943	60,249	91,330	124,785	5,115	11,817	77,401	2,461,941
At 31 December 2023	1,616,739	437,632	97,364	96,995	193,831	10,614	13,617	73,285	2,540,077

9.1 Carrying amount of assets pledged as security for borrowings:

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Carrying amount of assets pledged as security for borrowings:				
- freehold land	407,346	407,346	407,346	407,346
- bearer assets	255,356	276,715	289,958	300,817
- immature bearer assets	46,777	27,814	28,874	30,283
- work-in-progress	16,880	32,086	13,779	-
	<u>726,359</u>	<u>743,961</u>	<u>739,957</u>	<u>738,446</u>

9. Property, plant and equipment (continued)

9.2 Title deed

Included in the freehold land of the Group are amounts of RM311 million (2022: RM1,010 million, 2021: RM1,010 million, 2020: RM1,010 million) where the title deeds are not registered under the name of the Group entities as at 31 December 2023 with only administrative matters to be completed for the title deeds to be registered under the name of the Group entities.

9.3 Material accounting policy information

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Bearer plants are living plants that are used in the production of agriculture produce for more than one period. The bearer plants that are available for use are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes plantation expenditure, which represents the total cost incurred from land clearing to the point of maturity.

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date they are available for use, except for bearer plant which is depreciated over twenty two (22) years from the date it is ready for commercial harvesting. Freehold land is not depreciated. Property, plant and equipment under construction and immature bearer assets are not depreciated until the assets are ready for their intended use or when the bearer assets are declared mature. Immature bearer assets are estimated to mature 3 years from the planting date.

The estimated useful lives for the current and comparative periods are as follows:

- | | |
|----------------------------|--------------------------------|
| • Bearer assets (oil palm) | 22 years from year of maturity |
| • Buildings | 10 - 25 years |
| • Plant and machinery | 10 - 13 years |
| • Motor vehicles | 3 - 5 years |
| • Furnitures and fittings | 5 - 10 years |

10. Right-of-use assets

	Leasehold land RM'000	Buildings RM'000	Office equipment RM'000	Total RM'000
At 1 January 2020	1,668,123	1,188	116	1,669,427
Additions	22,339	104	-	22,443
Amortisation for the year	(29,184)	(465)	(15)	(29,664)
Derecognition	(2,436)	(243)	(89)	(2,768)
At 31 December 2020/ 1 January 2021	1,658,842	584	12	1,659,438
Additions	-	1,420	45	1,465
Amortisation for the year	(30,580)	(532)	(18)	(31,130)
Derecognition	(37)	(56)	(1)	(94)
At 31 December 2021/ 1 January 2022	1,628,225	1,416	38	1,629,679
Additions	1,028	73	-	1,101
Amortisation for the year	(27,860)	(248)	-	(28,108)
Modification	-	(829)	(37)	(866)
Derecognition	-	(8)	(1)	(9)
At 31 December 2022/ 1 January 2023	1,601,393	404	-	1,601,797
Additions	4,934	1,427	-	6,361
Amortisation for the year	(28,423)	(641)	-	(29,064)
Modification	105,449	116	-	105,565
Derecognition	-	(354)	-	(354)
At 31 December 2023	1,683,353	952	-	1,684,305

Included in leasehold land are:

- a) Leasehold land of the Group with carrying amounts of RM1,578 million (2022: RM1,597 million, 2021: RM1,619 million, 2020: RM1,643 million) which have lease periods expiring between 2087 to 2911.
- b) The Group had a lease arrangement with the ultimate holding corporation, Johor Corporation ("JCorp") for the lease of estate land for a period of 3 years which comprises four (4) estates (together with all buildings erected thereon) known as Bukit Payung, Tunjuk Laut, Bukit Kelompok and Pasir Logok since 2020. In 2023, the lease arrangement was approaching its expiry and thus, the Group has extended the existing lease arrangement for another 3 years commencing from 1 July 2023. Despite the lease was only extended for another 3 years, given that the Group has planted bearer assets on the land, the Group is of the view that the Group is reasonably certain to extend the lease arrangement beyond 3 years. Consequently, in the assessment of lease period for the purpose of computing the lease liability and right-of-use assets, the Group uses 25 years which is the total estimated useful life of bearer assets. As for the lease payments beyond 3 years contracted period, the Group uses the current lease rate to measure the lease liability. The lease arrangement extension is not accounted for as a separate lease and at the effective date of lease modification, the lease liabilities have been remeasured by discounting the revised lease payments using a revised discount rate determined based on the Group's incremental borrowing rate at the effective date of the lease modification. The remeasurement of lease liabilities resulted in corresponding adjustments to the right-of-use assets.

10. Right-of-use assets (continued)

Included in leasehold land are (continued) :

10.1 Asset pledged as security for borrowings

Leasehold land of the Group with carrying amounts of RM1,355 million (2022: RM1,146 million, 2021: RM1,162 million, 2020: RM1,179 million) are pledged to secure loans and borrowings (Note 20).

10.2 Leasehold land title deed

Included in the leasehold land of the Group are amounts of RM268 million (2022: RM679 million, 2021: RM688 million, 2020: RM696 million) where the title deeds are not registered under the name of the Group entities as at the end of the reporting period with only administrative matters to be completed for the title deeds to be registered under the name of the Group entities.

10.3 Material accounting policy information**(a) Lease and non-lease components**

At inception or reassessment of a contract containing a lease component, the Group allocates the consideration in the contract to each lease and non-lease component based on their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

13. ACCOUNTANTS' REPORT (CONT'D)

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11. Intangible assets

	Goodwill RM'000	Trademark RM'000	Total RM'000
Cost			
At 1 January 2020/31 December 2020/ 1 January 2021	627	244	871
Written off	-	(244)	(244)
At 31 December 2021/1 January 2022/ 31 December 2022/1 January 2023	627	-	627
Disposal of a subsidiary	(627)	-	(627)
At 31 December 2023	-	-	-
Amortisation			
At 1 January 2020	-	98	98
Amortisation for the year	-	24	24
At 31 December 2020/1 January 2021	-	122	122
Amortisation for the year	-	14	14
Written off	-	(136)	(136)
At 31 December 2021/1 January 2022/ 31 December 2022/1 January 2023/ 31 December 2023	-	-	-
Carrying amount			
At 1 January 2021	627	122	749
At 31 December 2021/1 January 2022	627	-	627
At 31 December 2022/1 January 2023	627	-	627
At 31 December 2023	-	-	-

12. Trade and other receivables

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Non-current					
Non-trade					
Amount due from ultimate holding corporation	12.1	-	3,461	3,441	3,593
Less: Allowance for impairment loss		-	(17)	-	(10)
		-	3,444	3,441	3,583
Deposit	12.2	-	60,531	60,531	60,531
		-	63,975	63,972	64,114

13. ACCOUNTANTS' REPORT (CONT'D)

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12. Trade and other receivables (continued)

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Current Trade					
Trade receivables		39,513	43,446	85,262	44,865
Less: Allowance for impairment loss		<u>(1,739)</u>	<u>(1,457)</u>	<u>(2,247)</u>	<u>(1,992)</u>
		<u>37,774</u>	<u>41,989</u>	<u>83,015</u>	<u>42,873</u>
Amount due from ultimate holding corporation	12.1	8	72	81	106
Less: Allowance for impairment loss		<u>-</u>	<u>-</u>	<u>(17)</u>	<u>(7)</u>
		<u>8</u>	<u>72</u>	<u>64</u>	<u>99</u>
Amount due from related companies	12.4	617	334	1,111	541
Less: Allowance for impairment loss		<u>(15)</u>	<u>(23)</u>	<u>(5)</u>	<u>(5)</u>
		<u>602</u>	<u>311</u>	<u>1,106</u>	<u>536</u>
Non-trade					
Others receivables		11,000	4,862	3,769	750
Less: Allowance for impairment loss		<u>(289)</u>	<u>(247)</u>	<u>(99)</u>	<u>(80)</u>
		<u>10,711</u>	<u>4,615</u>	<u>3,670</u>	<u>670</u>
Amount due from ultimate holding corporation	12.1	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>
Amount due from immediate holding company	12.3	<u>-</u>	<u>127,072</u>	<u>73,331</u>	<u>58,556</u>
Amount due from related companies	12.4	-	9,391	1,040	4,363
Less: Allowance for impairment loss		<u>-</u>	<u>(78)</u>	<u>-</u>	<u>(611)</u>
		<u>-</u>	<u>9,313</u>	<u>1,040</u>	<u>3,752</u>
Deposits		1,215	218	1,491	441
Prepayments		<u>5,924</u>	<u>1,515</u>	<u>1,336</u>	<u>2,579</u>
		<u>56,234</u>	<u>185,105</u>	<u>165,055</u>	<u>109,506</u>

12. Trade and other receivables (continued)

12.1 Amount due from ultimate holding corporation

The outstanding amounts in previous years of 2022: RM3.46 million, 2021: RM3.44 million and 2020: RM3.59 million unsecured, borne interest of 2022: 3.79%, 2021: 4.11% and 2020: 4.26% per annum and had no fixed term of repayment.

Other than as disclosed above, the other non-trade amount due from ultimate holding corporation is generally unsecured, non-interest bearing and repayable on demand.

12.2 Non-current deposit

The deposit in other non-current assets was part payment of the purchase price amounting to RM60.53 million for the acquisition of four (4) pieces of land from the ultimate holding corporation in 2020.

In year 2023, the Group, however, had a change in plan and no longer intends to acquire the land from the ultimate holding corporation. As such, the deposit was novated to the immediate holding company and was settled as part of the dividend declared to the immediate holding company of RM69.79 million on 31 March 2023 which was settled by contra.

12.3 Amounts due from immediate holding company

These amounts were unsecured, borne interest of 4.59% to 5.85% (2022: 3.19% to 4.47%, 2021: 3.44% to 4.41%, 2020: 3.95% to 5.22%) per annum and are repayable on demand.

12.4 Amounts due from related companies

The outstanding amounts in previous years of 2022: RM9.17 million, 2021: RM1.29 million and 2020: RM1.22 million which bear interest of 2022: 3.19% to 3.74%, 2021: 3.44% to 4.11% and 2020: 3.95% to 4.26% per annum are repayable on demand.

Other than as disclosed above, the other non-trade amounts due from related companies are generally unsecured, non-interest bearing and repayable on demand.

13. ACCOUNTANTS' REPORT (CONT'D)

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13. Biological assets

	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000
Fresh fruit bunches				
At 1 January	22,713	39,465	19,148	5,891
Changes in fair value recognised in profit or loss	<u>2,479</u>	<u>(16,752)</u>	<u>20,317</u>	<u>13,257</u>
At 31 December	<u>25,192</u>	<u>22,713</u>	<u>39,465</u>	<u>19,148</u>

During the financial year ended, the Group has harvested approximately 1,034,153 metric tonnes ("mt") (2022: 1,111,524 mt, 2021: 1,035,343 mt, 2020: 1,055,580 mt) of fresh fruit bunches ("FFB").

The Group has considered the oil content of all unripe FFB from the week after pollination to the week prior to harvest. As the oil content accrues exponentially in the 2 weeks prior to harvest, FFB more than 2 weeks before harvesting are excluded from the valuation as their fair values are considered negligible. The fair value of FFB is calculated based on the income approach which considers the net present value of all directly attributable net cashflows including imputed contributory asset charges. Biological assets are classified as current assets for bearer plants that are expected to be harvested.

The significant unobservable inputs used in the valuation models include FFB price of RM764/mt to RM834/mt (2022: RM563/mt to RM711/mt, 2021: RM1,069/mt to RM1,211/mt, 2020: RM748/mt to RM861/mt).

The fair value measurement of the Group's biological assets is categorised within Level 3 of the fair value hierarchy. If the selling price of the FFB increase or decrease by 5%, profit or loss of the Group would have increased or decreased by approximately RM1.48 million (2022: RM1.39 million, 2021: RM3.0 million, 2020: RM1.46 million).

14. Inventories

	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000
Cost				
Raw materials and consumables	9,066	46,513	7,875	7,588
Finished goods	<u>20,826</u>	<u>20,177</u>	<u>13,791</u>	<u>10,896</u>
	<u>29,892</u>	<u>66,690</u>	<u>21,666</u>	<u>18,484</u>

14.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in, first-out method.

15. Other investments

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Amortised cost					
Deposits placed with licensed banks	15.1	347	767	531	484
Deposits pledged with licensed bank	15.2	<u>26,035</u>	<u>25,187</u>	<u>27,057</u>	<u>26,731</u>
		<u>26,382</u>	<u>25,954</u>	<u>27,588</u>	<u>27,215</u>

15.1 Deposits placed with licensed banks

The weighted average interest rate per annum of the fixed deposits of the Group is 2.56% (2022: 2.34%, 2021: 2.35%, 2020: 3.04%) per annum.

The weighted average maturities of the fixed deposits of the Group is 262 days (2022: 244 days, 2021: 319 days, 2020: 319 days).

15.2 Deposits pledged with licensed bank

The deposits pledged with licensed banks of the Group is pledged for bank facilities granted to the Group.

The weighted average interest rate per annum of the fixed deposits is 3.36% (2022: 2.32%, 2021: 2.20%, 2020: 3.15%).

The weighted average maturities of the deposits pledged with licensed bank of the Group is 91 days (2022: 244 days, 2021: 365 days, 2020: 365 days).

15.3 Material accounting policy information**Deposit with licensed banks**

The Group classify deposits with licensed bank not held for working capital purposes that has a maturity of more than three months as other investments.

13. ACCOUNTANTS' REPORT (CONT'D)

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16. Cash and cash equivalents

	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	105,184	6,509	7,529	6,477
Cash held on behalf by immediate holding company	-	-	190,460	149,598
Short-term money market funds	<u>35,504</u>	<u>18,944</u>	<u>331</u>	<u>444</u>
	<u>140,688</u>	<u>25,453</u>	<u>198,320</u>	<u>156,519</u>

Short-term money market funds of the Group are highly liquid fund investments which can be realised within 2 days (2022: 2 days, 2021: 2 days, 2020: 7 days). They bear interest of 3.00% (2022: 2.07%, 2021: 2.84%, 2020: 1.78%) per annum.

17. Assets classified as held for sale

The Group presented 2 of its freehold land as asset classified held for sale following the commitment of the Group's management to sell the freehold land to related companies where the sale is expected to be completed by 2024.

	Note	2023	2022	2021	2020
		RM'000	RM'000	RM'000	RM'000
Property, plant and equipment					
Freehold land	9	<u>6,765</u>	<u>-</u>	<u>-</u>	<u>-</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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18. Capital and reserves

	Number of shares 2023	Amount 2023 RM'000	Number of shares 2022	Amount 2022 RM'000	Number of shares 2021	Amount 2021 RM'000	Number of shares 2020	Amount 2020 RM'000
Issued and fully paid ordinary shares with no par value classified as equity instruments:								
At 1 January	1,329,362,794	1,329,363	36,432,000	36,432	36,432,000	36,432	36,432,000	36,432
Issuance of ordinary shares	<u>172,636,978</u>	<u>172,637</u>	<u>1,292,930,794</u>	<u>1,292,931</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December	<u>1,501,999,772</u>	<u>1,502,000</u>	<u>1,329,362,794</u>	<u>1,329,363</u>	<u>36,432,000</u>	<u>36,432</u>	<u>36,432,000</u>	<u>36,432</u>

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Invested equity

For the purpose of these consolidated financial statements, the invested equity was the aggregate of the share capital of the Group's acquired subsidiaries and has been reversed against other reserve on the restructuring completion date of 1 December 2022.

Other reserves

Other reserves of the Group relates to the surplus or deficit in respect of the consideration received over the book value of the transferees or acquirees under the common control transactions as disclosed in Note 32.1 and Note 32.2.

13. ACCOUNTANTS' REPORT (CONT'D)

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19. Deferred tax liabilities**Recognised deferred tax liabilities**

Deferred tax liabilities are attributable to the following:

	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	(179,756)	(180,507)	(300,736)	(298,839)
Right-of-use assets	(300,655)	(281,100)	(281,582)	(282,212)
Biological assets	(6,046)	(5,647)	(13,526)	(7,146)
Inventories	-	(147)	-	-
Other payables	433	3,860	6,215	7,290
Employee benefits	2,587	1,600	1,939	2,044
Lease liabilities	25,727	351	564	457
Unutilised tax losses and unabsorbed capital allowances	-	-	1,280	3,992
Tax liabilities	<u>(457,710)</u>	<u>(461,590)</u>	<u>(585,846)</u>	<u>(574,414)</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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19. Deferred tax liabilities (continued)

Movement in temporary differences during the year

	At 1.1.2020 RM'000	Recognised in profit or loss (Note 7) RM'000	At 31.12.2020/ 1.1.2021 RM'000	Recognised in profit or loss (Note 7) RM'000	At 31.12.2021/ 1.1.2022 RM'000	Recognised in profit or loss (Note 7) RM'000	At 31.12.2022/ 1.1.2023 RM'000	Recognised in profit or loss (Note 7) RM'000	Recognised in other compre- hensive income RM'000	At 31.12.2023 RM'000
Property, plant and equipment	(296,887)	(1,952)	(298,839)	(1,897)	(300,736)	120,229	(180,507)	751	-	(179,756)
Right-of-use assets	(285,245)	3,033	(282,212)	630	(281,582)	482	(281,100)	(19,555)	-	(300,655)
Biological assets	(3,454)	(3,692)	(7,146)	(6,380)	(13,526)	7,879	(5,647)	(399)	-	(6,046)
Inventories	-	-	-	-	-	(147)	(147)	147	-	-
Other payables	5,912	1,378	7,290	(1,075)	6,215	(2,355)	3,860	(3,427)	-	433
Employee benefits	1,075	969	2,044	(105)	1,939	(339)	1,600	292	695	2,587
Lease liabilities	(605)	1,062	457	107	564	(213)	351	25,376	-	25,727
Unutilised tax losses and unabsorbed capital allowances	4,225	(233)	3,992	(2,712)	1,280	(1,280)	-	-	-	-
	(574,979)	565	(574,414)	(11,432)	(585,846)	124,256	(461,590)	3,185	695	(457,710)

13. ACCOUNTANTS' REPORT (CONT'D)

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19. Deferred tax liabilities**Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items:

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Unutilised tax losses, expiring in:				
- 2029	-	-	-	5,636
- 2030	3,586	6,219	7,674	3,123
- 2031	243	243	311	382
- 2032	1,515	-	-	-
	5,344	6,462	7,985	9,141
Unabsorbed capital allowances	725	20	220	194
Other deductible temporary differences	-	-	666	714
	<u>6,069</u>	<u>6,482</u>	<u>8,871</u>	<u>10,049</u>

In accordance with the provision of Finance Act 2021 requirement, the unutilised tax losses are available for utilisation in the next ten (10) years, for which, any excess at the end of the tenth (10th) year from the respective year of assessment. Tax losses can only be utilised once capital allowance has been fully exhausted.

Global minimum top-up tax

As at 31 December 2023, the government of Malaysia has enacted new legislation to implement the global minimum top-up tax. The Group does not expect to be subjected to the top-up tax given that its operations are only within Malaysia and none of its subsidiaries are enjoying any sort of tax incentives or tax exemptions.

13. ACCOUNTANTS' REPORT (CONT'D)

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20. Borrowings

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Non-current				
Secured				
Term loan 1	318,130	377,740	419,759	468,081
Term loan 2	1,036,223	1,185,269	1,334,169	1,408,303
Term loan 3	16,942	16,155	8,874	-
Term loan 4	14,424	7,958	-	-
Term loan 5	28,025	-	-	-
Hire purchase	-	87	181	282
Unsecured				
Term loan 6	-	-	-	23,774
	<u>1,413,744</u>	<u>1,587,209</u>	<u>1,762,983</u>	<u>1,900,440</u>
Current				
Secured				
Term loan 1	59,610	28,383	39,540	24,543
Term loan 2	149,046	149,027	74,008	66,127
Term loan 3	1,019	847	-	-
Term loan 5	1,767	-	-	-
Hire purchase	31	94	99	152
Unsecured				
Term loan 6	-	-	-	800
Revolving credit	2,000	2,000	2,000	50,000
	<u>213,473</u>	<u>180,351</u>	<u>115,647</u>	<u>141,622</u>
	<u>1,627,217</u>	<u>1,767,560</u>	<u>1,878,630</u>	<u>2,042,062</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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20. Borrowings (continued)

Changes in liabilities arising from financing activities:

	Note	Term loan 1 RM'000	Term loan 2 RM'000	Term loan 3 RM'000	Term loan 4 RM'000	Term loan 5 RM'000	Term loan 6 RM'000	Revolving credit RM'000	Hire purchase RM'000	Total RM'000
At 1 January 2020		497,622	1,419,432	-	-	-	108,603	70,000	487	2,096,144
Proceeds from borrowings net of transaction costs		-	70,000	-	-	-	10,971	219,000	-	299,971
Repayment of borrowings		(5,000)	(15,000)	-	-	-	(95,000)	(239,000)	(53)	(354,053)
At 31 December 2020/1 January 2021		492,622	1,474,432	-	-	-	24,574	50,000	434	2,042,062
Proceeds from borrowings net of transaction costs		459	1,231	8,873	-	-	7,041	62,000	-	79,604
Repayment of borrowings		(33,767)	(67,500)	-	-	-	(31,615)	(110,000)	(154)	(243,036)
At 31 December 2021/1 January 2022		459,314	1,408,163	8,873	-	-	-	2,000	280	1,878,630
Proceeds from borrowings net of transaction costs		445	1,134	8,129	7,958	-	-	380,000	-	397,666
Novated to immediate holding company	20.8	(11,200)	-	-	-	-	-	(90,000)	-	(101,200)
Repayment of borrowings		(42,437)	(75,000)	-	-	-	-	(290,000)	(99)	(407,536)
At 31 December 2022/1 January 2023		406,122	1,334,297	17,002	7,958	-	-	2,000	181	1,767,560
Proceeds from borrowings net of transaction costs		418	972	1,648	6,466	29,792	-	-	-	39,296
Repayment of borrowings		(28,800)	(150,000)	(689)	-	-	-	-	(117)	(179,606)
Disposal of subsidiary		-	-	-	-	-	-	-	(33)	(33)
At 31 December 2023		377,740	1,185,269	17,961	14,424	29,792	-	2,000	31	1,627,217

20. Borrowings (continued)**20.1 Term loan 1**

The term loan bears interest ranging from 4.57% to 5.00% (2022: 3.66% to 4.25%, 2021: 3.38% to 3.60%, 2020: 3.65% to 5.00%) per annum and is repayable via 28 quarterly instalments (excluding interest), with the first instalment commencing in March 2020 and the final instalment in December 2026. The instalments progressively increase towards the final instalments with the amounts ranging from RM 2.5 million to RM188.80 million.

20.2 Term loan 2

The term loan bears interest at 4.32% to 5.05% (2022: 3.67% to 3.72%, 2021: 3.35%, 2020: 3.33% to 4.60%) per annum and is repayable via 45 quarterly instalments (excluding interest), with the first instalment commencing in December 2020 and the final instalment in December 2031. The instalments progressively increase towards the final instalments with the amounts ranging from RM15 million to RM686.25 million.

20.3 Term loan 3

The term loan bears interest at 4.83% to 5.50% (2022: 3.60% to 5.19%, 2021: 3.60%, 2020: NIL) per annum and is repayable via 120 months instalments inclusive of 24 months principal grace period, with the first instalment commencing in August 2021 and the final instalment in July 2031.

20.4 Term loan 4

The term loan bears interest at 5.05% (2022: 3.69%, 2021: NIL, 2020: NIL) per annum and is repayable via 120 months instalments inclusive of 24 months principal grace period, with the first instalment commencing in January 2023 and the final instalment in December 2032.

20.5 Term loan 5

The term loan bears interest at 5.11% (2022: NIL, 2021: NIL, 2020: NIL) per annum and is repayable via 40 quarterly instalments (excluding interest), with the first instalment commencing in March 2024 and the final instalment in December 2033. The instalments progressively increase towards the final instalments with the amounts ranging from RM0.45 million to RM1.35 million.

20. Borrowings (continued)

20.6 Significant covenants

In connection with the term loan facilities, the Group has agreed on the following significant covenants with the lenders:

- (i) Johor Plantations Group Berhad and its subsidiaries ("collectively known as the Group") shall maintain a Financing Payment Cover Ratio ("FPCR") including cash balance of not less than 1.20 times throughout the tenure of the Facilities.

FPCR is defined as Total Available Cashflow over Total Financing Payment and Debt Service Obligation.

Total Financing Payment and Debt Service Obligations means for the preceding financial year of the Group, the aggregation of (i) opening cash and bank balances which are available for financing payment and debt servicing of the Group; and (ii) the Group's profit before tax and zakat before deductions of all profit portion paid/payable under the Islamic financings, interest, depreciation and amortisation and after deduction of additions to non-current assets.

Total Financing Payment and Debt Service Obligations means:

- (a) The aggregate amount paid/payable (including profit portion thereon) under the Facilities for the preceding financial year; and
- (b) Monies payable for the preceding financial year under other Islamic financings obtained and borrowings incurred by the Group.
- (ii) The Company shall ensure that commencing from the financial year ended 2021 and thereafter throughout the tenure of the Facilities, the Group's Total Available Cashflow over Total Financing Payment and Debt Service Obligations is not less than one point two times.
- (iii) The Company shall ensure that the Minimum Security Cover of at least one point three times is to be maintained throughout the tenure of the Facilities.

Minimum security cover is defined as the aggregate market value of the assets pledged as determined by an independent valuer acceptable to the lender based on the latest valuation report over all sums outstanding under the Facilities.

- (iv) The Company shall ensure that the Gearing Ratio, on consolidated basis shall not throughout the tenure of the Facilities at any time exceed one time.

Gearing ratio is defined as total bank financings and borrowed funds including hire purchase divided by shareholders' funds less intangibles.

20.7 Security

The borrowings are secured over certain property, plant and equipment and right-of-use assets of the Group as disclosed in Notes 9 and 10.

20. Borrowings (continued)

20.8 Novation of loan

As part of the reorganisation exercise in 2022, the loan which is registered under the name of the immediate holding company had been transferred to the Company. In the same year, the loan was novated back to the immediate holding company resulting to an equivalent amount payable to the immediate holding company as disclosed in Note 23.1. The Group will reimburse the immediate holding company for the immediate holding company's payment to the bank for the novated loan's interest, penalty, fees and principal repayment which will due from year 2025 onwards.

20.9 Borrowings facility

The term loan 1 and 2 are jointly registered under the name of the immediate holding company and the name of the Company as at the end of the reporting year with only administrative matters to be completed for the borrowing facilities to be solely registered under the name of the Company.

21. Employee benefits

The Group operates a defined benefit retirement scheme for its eligible employees, which is unfunded. The estimated obligations under the retirement benefit scheme are based on an actuarial valuation report prepared by a qualified independent actuary on 29 August 2023 (2022/2021/2020: 16 December 2020) covering the period from 2023 to 2025 (2022/2021/2020: 2020 to 2022).

The movements in respect of the retirement benefit plan are as follows:

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
At 1 January	6,666	8,080	8,517	4,478
Included in profit or loss				
Current service cost	1,334	601	500	4,191
Interest cost	714	353	325	298
	<u>2,048</u>	<u>954</u>	<u>825</u>	<u>4,489</u>
Included in other comprehensive income				
Remeasurement (gain)/loss				
Actuarial (gain)/loss arising from:				
- Financial assumptions	(889)	-	-	-
- Experience adjustments	3,784	-	-	-
	<u>2,895</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other				
Contribution paid by the employer	(829)	(2,368)	(1,262)	(450)
At 31 December	<u>10,780</u>	<u>6,666</u>	<u>8,080</u>	<u>8,517</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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21. Employee benefits (continued)

The charge to profit and loss was included in administrative expenses.

The retirement benefit obligations are in respect of the non-funded benefit plan. The liability is accrued at the present value of the defined benefit obligations using the projected unit method.

The principal assumptions used are as follows:

	2023	2022	2021	2020
Discount rate	4.70%	3.90%	3.90%	3.90%
Expected rate of salary increase	<u>6%</u>	<u>4% - 6%</u>	<u>4% - 6%</u>	<u>4% - 6%</u>

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined benefit obligation	2023		2022		2021		2020	
	Increase RM	Decrease RM	Increase RM	Decrease RM	Increase RM	Decrease RM	Increase RM	Decrease RM
At end of the year								
Discount rate (1% movement)	(938)	1,130	(981)	1,181	(905)	1,087	(824)	984
Future salary growth (1% movement)	<u>1,108</u>	<u>(936)</u>	<u>1,337</u>	<u>(1,119)</u>	<u>1,134</u>	<u>(957)</u>	<u>938</u>	<u>(800)</u>

Although the analysis does not account to the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

21.1 Material accounting policy information**(i) Defined benefit plans**

The Group operates defined benefit Retirement Benefit Scheme ("the Scheme") for its eligible employees in accordance with agreement between the Malayan Agricultural Producers Association ("MAPA") and the National Union of Plantation Workers as well as between MAPA and All Malayan Estates Staff Union.

21. Employee benefits (continued)**21.1 Material accounting policy information (continued)****(i) Defined benefit plans (continued)**

The Group's obligations under the Scheme are determined based on triennial actuarial valuation where the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted using the Projected Unit Credit Method in order to determine its present value taking into account various factors including mortality and disability rates, turnover rates, future salary increases and estimated future cash outflows. These gratuity benefits are calculated based on the specified rates for each completed year of service.

The defined benefit liability is the aggregate of the present value of the defined benefit obligations (derived using a discount rate based on market yield at the valuation date of high quality corporate bonds) adjusted for actuarial gains or losses and past service costs. There are no assets which qualify as plan assets as these are unfunded arrangements.

Defined benefit costs comprise service costs, net interest on the net defined benefit liability and remeasurements of net defined benefit liability.

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Group recognises related restructuring costs.

Net interest on the net defined benefit liability is the change during the period in the net defined benefit liability that arises from the passage of time which is determined by applying the discount rate based on high quality corporate bonds to the net defined benefit liability.

13. ACCOUNTANTS' REPORT (CONT'D)

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22. Lease liabilities

	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000
Maturity analysis				
Not more than 1 year	4,283	736	1,238	923
Later than 1 year and not more than 5 years	16,568	682	1,035	1,129
Later than 5 years	86,404	-	-	-
	<u>107,255</u>	<u>1,418</u>	<u>2,273</u>	<u>2,052</u>

Changes in liabilities arising from financing activities:

	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000
At 1 January	1,418	2,273	2,052	4,368
Addition	3,661	1,101	1,465	249
Net changes from financing cash flows	(2,996)	(1,309)	(1,262)	(1,045)
Modification	105,565	492	25	-
Derecognition	(393)	(1,139)	(7)	(1,520)
At 31 December	<u>107,255</u>	<u>1,418</u>	<u>2,273</u>	<u>2,052</u>

Included in lease liabilities are RM105.69 million, RM1.06 million and RM0.50 million (2022: RM NIL, RM0.39 million, RM0.98 million, 2021: RM1.42 million, RM0.63 million, RM0.001 million, 2020: RM1.11 million, RM0.57 million, RM0.004 million) in relation to the lease liabilities with ultimate holding corporation, immediate holding company and related company, respectively.

13. ACCOUNTANTS' REPORT (CONT'D)

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23. Trade and other payables

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Non-current					
Amount due to immediate holding company	23.1	-	101,200	-	-
Trade					
Trade payables		53,675	39,693	56,309	46,220
Non-trade					
Other payables		64,660	74,161	70,881	55,657
Accruals		17,075	25,616	50,655	71,931
Amount due to ultimate holding corporation	23.1	-	853	4,086	2,928
Amount due to immediate holding company	23.1	-	3,464	17,751	3,707
Amount due to related companies	23.2	272	4,986	5,577	7,940
		82,007	109,080	148,950	142,163
		135,682	148,773	205,259	188,383

23.1 Amount due to ultimate holding corporation and immediate holding company

In 2022, the Group novated to the immediate holding company the loan undertaken of RM101,200,000 which was undertaken by the immediate holding company on behalf of the Group.

In 2023, the Group received advancement from immediate holding company amounting to RM144,000,000. Subsequently, the Group has settled the amount due to immediate holding company by: -

- i) repayment of RM14,650,000, in cash;
- ii) contra of RM57,913,000 with the Group's amount due from immediate holding company; and
- iii) issuance of 172,636,978 ordinary shares of RM1 each amounting to RM172,636,978 which is fully paid by contra with the Group's amount due to immediate holding company.

Other than disclosed above, the amounts due to ultimate holding corporation and immediate holding company are unsecured, non-interest bearing and are repayable on demand.

23. Trade and other payables (continued)**23.1 Amount due to ultimate holding corporation and immediate holding company (continued)**

Changes in liabilities arising from financing activities:

	2023 RM'000	2022 RM'000
At 1 January	101,200	-
Loan undertaken by immediate holding company and novated to the Group	-	101,200
Proceeds from advancement from immediate holding company	144,000	-
Repayment of advancement from immediate holding company	(14,650)	-
Settlement by contra with amount due from immediate holding company	(57,913)	-
Issuance of new shares to immediate holding company	(172,637)	-
At 31 December	<u>-</u>	<u>101,200</u>

23.2 Amount due to related companies

The outstanding amount in previous years of 2022: RM3.60 million, 2021: RM0.24 million, 2020: RM0.16 million respectively, borne interest of 2022: 3.19% to 3.97%, 2021: 3.44% to 4.11%, 2020: 3.95% to 4.26% per annum and were repayable on demand.

Other than as disclosed above, the other non-trade amounts due to related companies are generally unsecured, non-interest bearing and repayable on demand.

24. Derivative financial liabilities

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Derivative at fair value				
Interest rate swap	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,788</u>
Contractual nominal value				
Interest rate swap	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>

In year 2020, the Group entered into interest rate swap contracts with nominal value of RM400 million that were designed to convert their floating interest rate liabilities to fixed rate liabilities to reduce the Group's exposure to adverse fluctuations in interest rates on its borrowings. In year 2021, the Group has withdrawn from the interest rate swap contract.

25. Dividend

	Note	Sen per share	Total amount RM'000	Date of payment
2023				
First interim ordinary dividend	25.1	5.25	<u>69,793</u>	31 March 2023
2022				
First interim ordinary dividend		137.24	50,000	7 June 2022
Second interim ordinary dividend		89.21	<u>32,500</u>	30 November 2022 & 6 December 2022
			<u>82,500</u>	
2021				
First interim ordinary dividend		274.48	100,000	26 August 2021
Second interim ordinary dividend		274.48	<u>100,000</u>	2 December 2021
			<u>200,000</u>	
2020				
First interim ordinary dividend		82.35	30,000	21 September 2020
Second interim ordinary dividend		790.51	<u>288,000</u>	21 December 2020
			<u>318,000</u>	

25.1 There is no cash flow impact, as the dividend declared and paid, amounting to RM69,793,000 on 31 March 2023, was settled by contra.

26. Earnings per ordinary share**Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share is based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Profit attributable to ordinary shareholders		<u>167,306</u>	<u>495,592</u>	<u>344,796</u>	<u>52,501</u>
Weighted average number of ordinary shares at 31 December	26.1	<u>2,036,000</u>	<u>1,801,986</u>	<u>49,385</u>	<u>49,385</u>
		2023 Sen	2022 Sen	2021 Sen	2020 Sen
Basic earnings per ordinary share	26.1	<u>8</u>	<u>28</u>	<u>698</u>	<u>106</u>

26.1 The weighted average number of shares have been adjusted retrospectively using the share split ratio of 1.36 shares for every one (1) share following the after year end share split exercise as disclosed in Note 33 (ii).

Diluted earnings per ordinary share

Diluted earnings per ordinary share as at 31 December 2023, 31 December 2022, 31 December 2021 and 31 December 2020 are identical with basic earnings per ordinary share as the Group does not have any dilutive potential ordinary shares.

27. Operating segments

Operating segments are components in which separate financial information is available that is evaluated by the Management Committee ("MC") in deciding how to allocate resources and in assessing performance of the Group. The Group operates in the following reportable segments:

- Upstream Production of palm oil and palm kernels.
- Others Training, trading, production of Bio-Methane and other miscellaneous activities.

All of the Group's operations and its revenues are carried out and derived in Malaysia.

Performance is measured based on the consolidated profit for the year as included in the internal management reports that are reviewed by the MC on a monthly basis.

Segment assets

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the MC. Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the MC. Segment total liabilities is used to measure the obligations of each segment.

27. Operating segments (continued)

Segment profit	Upstream	Others	Total
2023	RM'000	RM'000	RM'000
Segment profit/(loss)	168,004	(2,279)	165,725
Included in the measurement of segment profit are:			
Revenue from external customers	1,239,887	13,558	1,253,445
Inter-segment revenue	-	10,674	10,674
Change in fair value on biological assets	2,479	-	2,479
Depreciation of property, plant and equipment	(77,903)	(1,761)	(79,664)
Amortisation of right-of-use assets	(28,902)	(162)	(29,064)
Finance income	2,679	104	2,783
Finance costs	(89,898)	(694)	(90,592)
Tax expense	(19,417)	(8)	(19,425)
Zakat	(1,763)	(7)	(1,770)
Assets			
Included in the measurement of segment assets are:			
Addition to property, plant and equipment	156,888	11,440	168,328
Addition to right-of-use assets	111,715	211	111,926
Segment assets	4,531,771	50,628	4,582,399
Segment liabilities	2,286,119	52,525	2,338,644
2022			
Segment profit/(loss)	495,634	(270)	495,364
Included in the measurement of segment profit are:			
Revenue from external customers	1,729,033	22,612	1,751,645
Inter-segment revenue	-	7,598	7,598
Change in fair value on biological assets	(16,752)	-	(16,752)
Depreciation of property, plant and equipment	(78,373)	(465)	(78,838)
Amortisation of right-of-use assets	(27,968)	(140)	(28,108)
Finance income	4,616	27	4,643
Finance costs	(72,875)	(263)	(73,138)
Tax expense	(67,419)	(135)	(67,554)
Zakat	(6,106)	(96)	(6,202)
Assets			
Included in the measurement of segment assets are:			
Addition to property, plant and equipment	96,501	9,056	105,557
Addition to right-of-use assets	162	73	235
Segment assets	4,422,836	55,300	4,478,136
Segment liabilities	2,461,308	40,536	2,501,844

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27. Operating segments (continued)

Segment profit (continued)

	Upstream RM'000	Others RM'000	Total RM'000
2021			
Segment profit	344,608	8	344,616
Included in the measurement of segment profit are:			
Revenue from external customers	1,531,577	17,658	1,549,235
Inter-segment revenue	-	11,797	11,797
Change in fair value on biological assets	20,317	-	20,317
Depreciation of property, plant and equipment	(75,479)	(554)	(76,033)
Amortisation of right-of-use assets	(30,998)	(132)	(31,130)
Finance income	2,213	-	2,213
Finance costs	(68,903)	(40)	(68,943)
Tax expense	(139,562)	(315)	(139,877)
Zakat	(4,025)	(30)	(4,055)
Assets			
Included in the measurement of segment assets are:			
Addition to property, plant and equipment	76,303	13,921	90,224
Addition to right-of-use assets	1,137	328	1,465
Segment assets	4,544,298	41,405	4,585,703
Segment liabilities	2,685,966	25,788	2,711,754
2020			
Segment profit/(loss)	53,897	(1,591)	52,306
Included in the measurement of segment profit are:			
Revenue from external customers	1,008,715	12,044	1,020,759
Inter-segment revenue	-	13,787	13,787
Change in fair value on biological assets	13,257	-	13,257
Depreciation of property, plant and equipment	(77,108)	(522)	(77,630)
Amortisation of right-of-use assets	(29,404)	(260)	(29,664)
Finance income	2,843	-	2,843
Finance costs	(89,475)	(29)	(89,504)
Tax expense	(62,565)	(145)	(62,710)
Zakat	(2,570)	(25)	(2,595)
Assets			
Included in the measurement of segment assets are:			
Addition to property, plant and equipment	73,476	1,091	74,567
Addition to right-of-use assets	22,308	135	22,443
Segment assets	4,461,190	19,148	4,480,338
Segment liabilities	2,827,798	8,882	2,836,680

27. Operating segments (continued)

Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:

	Revenue			
	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Customer A	478,918	730,868	658,033	419,484
Customer B	76,742	38,622	154,609	207,480
Customer C	283,837	391,634	143,290	34,682
Customer D	<u>211,330</u>	<u>33,624</u>	<u>100,988</u>	<u>74,556</u>

28. Financial instruments

28.1 Categories of financial instruments

The table below provides an analysis of financial instruments.

	Carrying amount RM'000	Amortised cost ("AC") RM'000	Fair value through profit or loss ("FVTPL") RM'000
2023			
Financial assets			
Trade and other receivables*	50,310	50,310	-
Other investments	26,382	26,382	-
Cash and cash equivalents	<u>140,688</u>	<u>105,184</u>	<u>35,504</u>
	<u>217,380</u>	<u>181,876</u>	<u>35,504</u>
Financial liabilities			
Trade and other payables	135,682	135,682	-
Borrowings	<u>1,627,217</u>	<u>1,627,217</u>	<u>-</u>
	<u>1,762,899</u>	<u>1,762,899</u>	<u>-</u>
2022			
Financial assets			
Trade and other receivables*	247,565	247,565	-
Other investments	25,954	25,954	-
Cash and cash equivalents	<u>25,453</u>	<u>6,509</u>	<u>18,944</u>
	<u>298,972</u>	<u>280,028</u>	<u>18,944</u>
Financial liabilities			
Trade and other payables	249,973	249,973	-
Borrowings	<u>1,767,560</u>	<u>1,767,560</u>	<u>-</u>
	<u>2,017,533</u>	<u>2,017,533</u>	<u>-</u>

* Excludes non-financial instrument

28. Financial instruments (continued)**28.1 Categories of financial instruments (continued)**

	Carrying amount RM'000	Amortised cost ("AC") RM'000	Fair value through profit or loss ("FVTPL") RM'000
2021			
Financial assets			
Trade and other receivables*	227,691	227,691	-
Other investments	27,588	27,588	-
Cash and cash equivalents	198,320	197,989	331
	<u>453,599</u>	<u>453,268</u>	<u>331</u>
Financial liabilities			
Trade and other payables	205,259	205,259	-
Borrowings	1,878,630	1,878,630	-
	<u>2,083,889</u>	<u>2,083,889</u>	<u>-</u>
2020			
Financial assets			
Trade and other receivables*	171,041	171,041	-
Other investments	27,215	27,215	-
Cash and cash equivalents	156,519	156,075	444
	<u>354,775</u>	<u>354,331</u>	<u>444</u>
Financial liabilities			
Trade and other payables	188,383	188,383	-
Borrowings	2,042,062	2,042,062	-
Derivative financial liabilities	3,788	-	3,788
	<u>2,234,233</u>	<u>2,230,445</u>	<u>3,788</u>

* Excludes non-financial instrument

28.2 Net gains and losses arising from financial instruments

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Net gains/(losses) on:				
Financial assets at amortised cost	2,562	5,189	2,550	3,619
Financial liabilities at amortised cost	<u>(87,832)</u>	<u>(72,754)</u>	<u>(68,520)</u>	<u>(88,946)</u>
	<u>(85,270)</u>	<u>(67,565)</u>	<u>(65,970)</u>	<u>(85,327)</u>

28. Financial instruments (continued)

28.3 Financial risk management

The Group has exposure to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

28.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade and other receivables, related parties, other investments and cash and cash equivalents. There is no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

As at the end of each reporting period, the maximum exposures to credit risk arising from trade receivables are represented by the respective carrying amounts in the statement of financial position.

Recognition and measurement of impairment losses

The Group uses an allowance matrix to measure expected credit loss ("ECLs") of trade receivables.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

28. Financial instruments (continued)**28.4 Credit risk (continued)****Trade receivables (continued)**

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
2023			
Not past due	33,741	-	33,741
Past due 1 - 60 days	2,641	-	2,641
Past due 61 - 90 days	198	-	198
Past due 90 days	2,933	(1,739)	1,194
	<u>39,513</u>	<u>(1,739)</u>	<u>37,774</u>
2022			
Not past due	38,799	-	38,799
Past due 1 - 60 days	652	-	652
Past due 61 - 90 days	172	-	172
Past due 90 days	3,823	(1,457)	2,366
	<u>43,446</u>	<u>(1,457)</u>	<u>41,989</u>
2021			
Not past due	81,070	-	81,070
Past due 1 - 60 days	552	-	552
Past due 61 - 90 days	253	-	253
Past due 90 days	3,387	(2,247)	1,140
	<u>85,262</u>	<u>(2,247)</u>	<u>83,015</u>
2020			
Not past due	41,392	-	41,392
Past due 1 - 60 days	803	-	803
Past due 61 - 90 days	293	-	293
Past due 90 days	2,377	(1,992)	385
	<u>44,865</u>	<u>(1,992)</u>	<u>42,873</u>

28. Financial instruments (continued)**28.4 Credit risk (continued)****Trade receivables (continued)**

The movements in the allowance for impairment in respect of trade receivables are shown below:

	Credit impaired RM'000
Balance at 1 January 2020	2,893
Net remeasurement of loss allowance	<u>(901)</u>
Balance at 31 December 2020/1 January 2021	1,992
Net remeasurement of loss allowance	<u>255</u>
Balance at 31 December 2021/1 January 2022	2,247
Net remeasurement of loss allowance	<u>(790)</u>
Balance at 31 December 2022/1 January 2023	1,457
Net remeasurement of loss allowance	<u>282</u>
Balance at 31 December 2023	<u><u>1,739</u></u>

Related parties*Risk management objectives, policies and processes for managing the risk*

The Group has exposure to credit risk through its trade and non-trade receivables from related parties where recoverability of the balances are monitored on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of each reporting period, the maximum exposures to credit risk are represented by their respective carrying amounts in the statement of financial position.

Amount due from related parties are not secured by any collateral or supported by any other credit enhancements.

28. Financial instruments (continued)**28.4 Credit risk (continued)****Related parties (continued)***Recognition and measurement of impairment loss*

Generally, the Group considers balances due from related parties to have low credit risk. The Group assumes that there is significant increase in credit risk when a related party's financial position deteriorates significantly. The Group considers the balances to be in default when the related parties are not able to pay when demanded. The Group considers balances due from related parties to be credit impaired when:

- The related parties are unlikely to repay its amount due to the Group in full;
- The related parties are overdue for more than 365 days; or
- The related parties are continuously loss making and are having a deficit shareholders' fund.

The Group determines the probability of default for these balances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for receivables from related parties.

	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
2023			
Low credit risk	625	(15)	610
2022			
Low credit risk	200,861	(118)	200,743
2021			
Low credit risk	139,537	(22)	139,515
2020			
Low credit risk	127,690	(633)	127,057

28. Financial instruments (continued)**28.4 Credit risk (continued)****Related parties (continued)***Recognition and measurement of impairment loss (continued)*

The movement in the allowance for impairment in respect of related parties are shown below:

	Credit impaired RM'000
Balance at 1 January 2020	537
Net remeasurement of loss allowance	96
Balance at 31 December 2020/1 January 2021	633
Net remeasurement of loss allowance	(611)
Balance at 31 December 2021/1 January 2022	22
Net remeasurement of loss allowance	96
Balance at 31 December 2022/1 January 2023	118
Net remeasurement of loss allowance	(103)
Balance at 31 December 2023	<u>15</u>

Other receivables

Credit risks on other receivables are mainly arising from non-trade receivables.

The Group performs individual assessment on each individual receivables and considers a receivable to be credit impaired when the Group has initiated recovery but is unable to reach settlement with the debtors.

As at the end of each reporting period, the maximum exposures to credit risk is represented by their respective carrying amounts in the statements of financial position.

The following table provides information about the exposure to credit risk and ECLs for other receivables.

	Gross carrying amount RM	Impairment loss allowance RM	Net balance RM
2023			
Low credit risk	10,711	-	10,711
Credit impaired	289	(289)	-
	<u>11,000</u>	<u>(289)</u>	<u>10,711</u>

28. Financial instruments (continued)**28.4 Credit risk (continued)****Other receivables (continued)**

	Gross carrying amount RM	Impairment loss allowance RM	Net balance RM
2022			
Low credit risk	4,615	-	4,615
Credit impaired	247	(247)	-
	<u>4,862</u>	<u>(247)</u>	<u>4,615</u>
2021			
Low credit risk	5,161	-	5,161
Credit impaired	99	(99)	-
	<u>5,260</u>	<u>(99)</u>	<u>5,161</u>
2020			
Low credit risk	1,111	-	1,111
Credit impaired	80	(80)	-
	<u>1,191</u>	<u>(80)</u>	<u>1,111</u>

The movement in the allowance for impairment in respect of other receivables are shown below:

	Credit impaired RM'000
Balance at 1 January 2020	51
Net remeasurement of loss allowance	<u>29</u>
Balance at 31 December 2020/1 January 2021	80
Net remeasurement of loss allowance	<u>19</u>
Balance at 31 December 2021/1 January 2022	99
Net remeasurement of loss allowance	<u>148</u>
Balance at 31 December 2022/1 January 2023	247
Net remeasurement of loss allowance	<u>42</u>
Balance at 31 December 2023	<u>289</u>

28. Financial instruments (continued)**28.4 Credit risk (continued)****Other investments and cash and cash equivalents**

The other investments and cash and cash equivalents are held with licensed banks and financial institutions. As at the end of each reporting period, the maximum exposures to credit risk are represented by their respective carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by a government agency. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

28.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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28. Financial instruments (continued)

28.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's financial liabilities based on undiscounted contractual payments.

	Carrying amount RM'000	Contractual interest rate/ Incremental borrowing rate	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
2023						
Trade and other payables	135,682	-	135,682	135,682	-	-
Term loans and revolving credit	1,627,186	3.92% - 5.99%	1,899,108	279,627	1,103,937	515,544
Hire purchase liabilities	31	4.71% - 4.74%	34	34	-	-
Lease liabilities	107,255	3.44% - 4.98%	160,207	8,079	33,608	118,520
	<u>1,870,154</u>		<u>2,195,031</u>	<u>423,422</u>	<u>1,137,545</u>	<u>634,064</u>
2022						
Trade and other payables	249,973	-	249,973	148,773	101,200	-
Term loans and revolving credit	1,767,379	3.60% - 5.92%	2,225,081	355,202	1,193,583	676,296
Hire purchase liabilities	181	3.46% - 4.98%	235	119	116	-
Lease liabilities	1,418	3.44% - 4.98%	2,147	1,316	831	-
	<u>2,018,951</u>		<u>2,477,436</u>	<u>505,410</u>	<u>1,295,730</u>	<u>676,296</u>

13. ACCOUNTANTS' REPORT (CONT'D)

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28. Financial instruments (continued)

28.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM'000	Contractual interest rate/ Incremental borrowing rate	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
2021						
Trade and other payables	205,259	-	205,259	205,259	-	-
Term loans and revolving credit	1,878,350	3.60% - 5.19%	2,445,486	220,405	1,362,734	862,347
Hire purchase liabilities	280	3.44% - 4.98%	356	121	235	-
Lease liabilities	2,273	3.44% - 4.98%	3,552	1,405	2,147	-
	<u>2,086,162</u>		<u>2,654,653</u>	<u>427,190</u>	<u>1,365,116</u>	<u>862,347</u>
2020						
Trade and other payables	188,383	-	188,383	188,383	-	-
Term loans and revolving credit	2,041,628	4.18% - 4.94%	2,583,051	137,566	1,133,067	1,312,418
Hire purchase liabilities	434	3.44% - 4.98%	506	150	356	-
Derivative financial liabilities	3,788	3.89%	3,788	3,788	-	-
Lease liabilities	2,052	3.44% - 4.98%	2,559	1,104	1,455	-
	<u>2,236,285</u>		<u>2,778,287</u>	<u>330,991</u>	<u>1,134,878</u>	<u>1,312,418</u>

28. Financial instruments (continued)

28.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

28.6.1 Currency risk

The Group is not exposed to foreign currency risk as the Group does not have foreign currency transactions in sales, purchases and borrowings that are denominated in a currency other than the Group's functional currency.

28.6.2 Interest rate risk

The Group's investments in fixed rate deposits with licensed banks, other licensed corporations and intercompany balances are exposed to a risk of change in their fair values due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The interest rate exposure is monitored and managed proactively by the Group's management.

Exposure to interest rate risk

The interest rate profile of the Group's significant profit interest-bearing financial instruments, based on carrying amount as at the end of each reporting year are as follows:

	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Financial assets	26,382	165,730	304,050	247,207
Financial liabilities	<u>(107,286)</u>	<u>(5,195)</u>	<u>(2,797)</u>	<u>(6,435)</u>
	<u>(80,904)</u>	<u>160,535</u>	<u>301,253</u>	<u>240,772</u>
Floating rate instruments				
Financial liabilities	<u>(1,627,186)</u>	<u>(1,767,379)</u>	<u>(1,878,350)</u>	<u>(2,041,628)</u>

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting year would not affect profit or loss.

28. Financial instruments (continued)**28.6 Market risk (continued)****28.6.2 Interest rate risk (continued)***Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("bp") in interest rates at the end of each reporting year would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss	
	100 bp increase RM'000	100 bp decrease RM'000
2023		
Floating rate instruments	<u>(12,367)</u>	<u>12,367</u>
2022		
Floating rate instruments	<u>(13,432)</u>	<u>13,432</u>
2021		
Floating rate instruments	<u>(14,275)</u>	<u>14,275</u>
2020		
Floating rate instruments	<u>(15,516)</u>	<u>15,516</u>

28.7 Fair value information

The carrying amounts of fixed deposits with a licensed bank, cash and cash equivalents, short term receivables and payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The table below analyses other financial instruments at fair value.

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2023					
Financial assets Measured at fair value					
Short-term money market funds	-	35,504	-	35,504	35,504
Financial liabilities Not measured at fair value					
Hire purchase liabilities	-	-	31	31	31
Term loans and revolving credit	-	- 1,627,186		1,627,186	1,627,186

28. Financial instruments (continued)**28.7 Fair value information (continued)**

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2022					
Financial assets					
Measured at fair value					
Short-term money market funds	-	18,944	-	18,944	18,944
Not measured at fair value					
Amount due from ultimate holding corporation	-	-	60,564	60,564	63,975
Financial liabilities					
Not measured at fair value					
Amount due to immediate holding company	-	-	95,804	95,804	101,200
Hire purchase liabilities	-	-	215	215	181
Term loans and revolving credit	-	-	1,775,969	1,775,969	1,767,379
2021					
Financial assets					
Measured at fair value					
Short-term money market funds	-	331	-	331	331
Not measured at fair value					
Amount due from ultimate holding corporation	-	-	61,140	61,140	63,972

28. Financial instruments (continued)**28.7 Fair value information (continued)**

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2021 (continued)					
Financial liabilities					
Not measured at fair value					
Hire purchase liabilities	-	-	325	325	280
Term loans and revolving credit	-	-	1,972,737	1,972,737	1,878,350
2020					
Financial assets					
Measured at fair value					
Short-term money market funds	-	444	-	444	444
Not measured at fair value					
Amount due from ultimate holding corporation	-	-	61,213	61,213	64,114
Financial liabilities					
Measured at fair value interest					
Interest rate swap	-	3,788	-	3,788	3,788
Not measured at fair value					
Hire purchase liabilities	-	-	453	453	434
Term loans and revolving credit	-	-	2,005,221	2,005,221	2,041,628

28. Financial instruments (continued)**28.7 Fair value information (continued)****Level 2 fair value**

The following table shows the valuation techniques used in the determination of fair value within Level 2, as well as the key unobservable inputs used in the valuation models.

Financial instruments carried at fair value

Type	Description of valuation technique and inputs used
<ul style="list-style-type: none"> • Short-term money market funds • Interest rate swap 	Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value:

Type	Description of valuation technique and inputs used
<ul style="list-style-type: none"> • Amount due from ultimate holding corporation • Amount due to immediate holding company • Hire purchase • Term loans and revolving credit 	Discounted cash flows using a rate based on the current market rate of borrowing of the Group entities reporting date.

28.8 Material accounting policy information

The Group applies settlement date accounting for regular way purchase or sale of financial assets.

29. Capital management

The Group's objective when managing capital is to maintain a sufficiently adequate capital base and safeguard the Group's ability to continue as going concern, so as to maintain investor and creditor confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants.

The debt-to-equity ratios were as follows:-

	Note	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Amount due to immediate holding company	23	-	101,200	-	-
Borrowings	20	1,627,217	1,767,560	1,878,630	2,042,062
Lease liabilities	22	107,255	1,418	2,273	2,052
Less: Cash and cash equivalents	16	(140,688)	(25,453)	(198,320)	(156,519)
Less: Other investments	15	(26,382)	(25,954)	(27,588)	(27,215)
		<u>1,567,402</u>	<u>1,818,771</u>	<u>1,654,995</u>	<u>1,860,380</u>
Total equity		<u>2,243,755</u>	<u>1,976,292</u>	<u>1,873,949</u>	<u>1,643,658</u>
Debt-to-equity ratio		<u>0.70</u>	<u>0.92</u>	<u>0.88</u>	<u>1.13</u>

There were no changes in the Group's approach to capital management during each financial year.

30. Commitments

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Authorised capital expenditure in respect of property, plant and equipment not provided for in the financial statements at the end of each financial year:				
- Contracted for	37,092	28,233	47,683	57,597
- Not contracted for	<u>41,372</u>	<u>3,265</u>	<u>69,118</u>	<u>25,988</u>

31. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. Key management personnel include all the Directors of the Group.

The Group has related party relationship with its ultimate holding corporation, immediate holding company, related companies and key management personnel.

All entities within the Johor Corporation Group are considered related companies/parties.

Significant related party transactions

The significant related party transactions of the Group are shown below.

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
A. Ultimate holding corporation				
Purchases of fresh fruit bunches	-	-	-	(19,358)
Lease prepayment	-	-	-	(19,220)
B. Related companies				
Sales of crude palm oil	2,401	5,937	9,727	10,360
Purchases of fresh fruit bunches	-	-	(5,150)	(33,829)
C. Key management personnel				
Directors				
- Fees	1,127	414	395	60
- Remuneration	1,608	1,738	904	959
- Estimated money value of any other benefits	83	112	64	23
	<u>2,818</u>	<u>2,264</u>	<u>1,363</u>	<u>1,042</u>
Other key management personnel				
- Fees	-	-	-	76
- Remuneration	2,551	3,322	4,374	5,357
- Estimated money value of any other benefits	74	77	96	18
	<u>2,625</u>	<u>3,399</u>	<u>4,470</u>	<u>5,451</u>

31. Related parties (continued)**Significant related party transactions (continued)****Government-related entities**

Certain government-linked corporations are related to the Group by virtue of Johor Corporation ("JCorp"), indirect effective interest in the Company of 96.33% (2022/2021/2020: 96.07%). JCorp was incorporated through the Johor Corporation Enactment No. 4, 1968 (As amended by the Enactment No. 5, 1995) as the principal development institution to drive the growth of the state's economy.

The bodies or entities controlled or jointly controlled by the State of Johor ("State Government") are related parties of the Group. The Group enters into transactions with many of these bodies or entities, which include but are not limited to purchasing of goods, payment of quit rents, water and amenities.

All the transactions entered into by the Group with the bodies controlled by the state government are conducted in the ordinary course of the Group's business on negotiated terms or terms comparable to those with other entities that are not state government-related, except otherwise disclosed in the financial statements.

32. Acquisition of business operations and subsidiaries

32.1 Acquisition of business operations: Plantation

In 2022, the Group entered into respective Business Transfer Agreements with Kulim (Malaysia) Berhad ("KMB"), Kumpulan Bertam Plantations Berhad ("KBP"), Selai Sdn Bhd ("Selai"), Sindora Berhad ("Sindora"), Ulu Tiram Manufacturing Company (Malaysia) Sdn Bhd ("UTM"), and United Malayan Agricultural Corp Berhad ("UMAC") which are under common control by Johor Corporation for corporate reorganisation between the Group and its immediate holding company, Kulim (Malaysia) Berhad ("KMB"). The corporate exercise involves sale and transfer of plantation businesses under common control of KMB, KBP, Selai, Sindora, UTM and UMAC which include the plantation business assets and liabilities of the respective entities to Johor Plantations Group Berhad ("Plantation Business Transfer"). Details of the Plantation Business Transfer are as follows:-

Name of related companies	Date of sale and transfer	Business operations	Geographical area	Consideration settled via issuance of shares of the Company	Consideration settled by deferred payment RM
Kulim (Malaysia) Berhad ("KMB")	1 December 2022	Oil palm plantation	Malaysia	157,568,810	-
Kumpulan Bertam Plantations Berhad ("KBP")	1 December 2022	Oil palm plantation	Malaysia	72,541,164	-
Selai Sdn Bhd ("Selai")	1 December 2022	Oil palm plantation	Malaysia	242,336,078	-
Sindora Berhad ("Sindora")	1 December 2022	Oil palm plantation and palm milling	Malaysia	433,347,767	-
Ulu Tiram Manufacturing Company (Malaysia) Sdn Bhd ("UTM")	1 December 2022	Oil palm plantation	Malaysia	56,025,399	-
United Malayan Agricultural Corp Berhad ("UMAC")	1 December 2022	Oil palm plantation	Malaysia	-	102,131,873

For the purpose of accounting for the Plantation Business Transfer under common control, the Group had applied book value accounting. Under book value accounting, the differences between the net assets and liabilities of the respective entities and the purchase consideration are accounted for as contribution from the shareholder or distribution to the shareholder in other reserves in the financial statements of the Group.

The Group had elected to restate its comparatives to account for the acquisitions as if the acquisitions had occurred at the beginning of the earliest comparative period presented.

13. ACCOUNTANTS' REPORT (CONT'D)

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32. Acquisition of business operations and subsidiaries (continued)

32.1 Acquisition of business operations: Plantation (continued)

Effect of the Plantation Business Transfer on the financial position of the Group

	KMB RM'000	KBP RM'000	Selai RM'000	Sindora RM'000	UTM RM'000	Total RM'000
Property, plant and equipment	865,381	69,681	235,051	118,006	56,909	1,345,028
Right-of-use assets	353,323	-	-	326,620	-	679,943
Biological assets	6,873	827	3,112	3,735	251	14,798
Inventories	9,037	428	3,845	10,098	258	23,666
Trade and other receivables	6,351	2,103	3,412	5,907	1	17,774
Cash and bank balances	13,544	5	5	13	5	13,572
Deferred tax liabilities	(194,000)	(9,376)	(31,531)	(91,666)	(6,089)	(332,662)
Loans and borrowings	(1,075,364)	-	-	-	-	(1,075,364)
Trade and other payables	(12,267)	(442)	(2,924)	(9,132)	(1,356)	(26,121)
Amount due to	(9,309)	(61)	(165)	(21,899)	(43)	(31,477)
Identifiable assets acquired and liabilities assumed at book value	(36,431)	63,165	210,805	341,682	49,936	629,157
Purchase consideration settled by equity	(157,569)	(72,541)	(242,336)	(433,348)	(56,025)	(961,819)
Other reserve	(194,000)	(9,376)	(31,531)	(91,666)	(6,089)	(332,662)
Cash inflow arising from acquisition						
Cash and cash equivalent of businesses acquired	13,544	5	5	13	5	13,572
Net cash inflow arising from acquisition	13,544	5	5	13	5	13,572

32. Acquisition of business operations and subsidiaries (continued)

32.1 Acquisition of business operations: Plantation (continued)

Effect of the Plantation Business Transfer on the financial position of the Group (continued)

	Total RM'000
Identifiable assets acquired and liabilities assumed at book value as at 1 January 2020	295,112
Less: Identifiable assets acquired and liabilities assumed at book value as at 1 December 2022	<u>(629,157)</u>
	(334,045)
Add: Repatriation of cash from immediate holding company in 2020	315,954
Add: Repatriation of cash from immediate holding company in 2021	85,000
Less: Net effect of business combination under common control in 2022	<u>(264,521)</u>
Effect of business combination under common control on retained earning	<u>(197,612)</u>

32.2 Acquisition of subsidiaries

In 2022, the Group entered into a Share Sale Agreement with the immediate holding company, Kulim (Malaysia) Berhad ("KMB") to acquire the entire issued and paid-up capital of JPG Plantations Sdn. Bhd. (formerly known as Kulim Plantations (Malaysia) Sdn. Bhd.) ("KPM"), JPG Greenergy Ventures Sdn. Bhd. (formerly known as Kulim Green Energy Ventures Sdn. Bhd.) ("KGEV"), JPG Greenergy Sdn. Bhd. (formerly known as Kulim Greenergy Sdn. Bhd.) ("KG"), JPG Jenterra Sdn. Bhd. (formerly known as Edaran Badang Sdn. Bhd.) ("EBSB"), JPG Planterra Sdn. Bhd. (formerly known as Cultivation Sdn. Bhd.) ("KNSB") and JPG Terrasolutions Sdn. Bhd. (formerly known as Kulim Safety and Training Services Sdn. Bhd.) ("KSTS") which are under common control by Johor Corporation for corporation reorganisation between the Group and the immediate holding company. Details of the acquisition of subsidiaries are as follows:-

Name of related companies	Date of sale and transfer	Business operations	Geographical area	Consideration settled via issuance of shares of the Company
JPG Plantations Sdn. Bhd. (formerly known as Kulim Plantations (Malaysia) Sdn. Bhd.) ("KPM")	1 December 2022	Production of palm oil and palm kernel	Malaysia	319,391,857

32. Acquisition of business operations and subsidiaries (continued)

32.2 Acquisition of subsidiaries (continued)

Name of related companies	Date of sale and transfer	Business operations	Geographical area	Consideration settled via issuance of shares of the Company
JPG Greenergy Ventures Sdn. Bhd. (formerly known as Kulim Green Energy Ventures Sdn. Bhd.) ("KGEV")	1 December 2022	Designing, managing and operating renewable energy	Malaysia	674,012
JPG Greenergy Sdn. Bhd. (formerly known as Kulim Greenergy Sdn. Bhd.) ("KG")	1 December 2022	Designing, managing and operating renewable energy	Malaysia	100,371
JPG Jenterra Sdn. Bhd. (formerly known as Edaran Badang Sdn. Bhd.) ("EBSB")	1 December 2022	Sales of agricultural machinery and parts	Malaysia	7,385,756
JPG Planterra Sdn. Bhd. (formerly known as Cultivation Sdn. Bhd.) ("KNSB")	1 December 2022	Managing oil palm nursery and other related services	Malaysia	876,829
JPG Terrasolutions Sdn. Bhd. (formerly known as Kulim Safety and Training Services Sdn. Bhd.) ("KSTS")	1 December 2022	Providing training services and other related services	Malaysia	2,682,750

For the purpose of accounting for the acquisition of subsidiaries under common control, the Group had applied book value accounting. Under book value accounting, the differences between the purchase consideration and the net total of the identifiable assets acquired and liabilities assumed of the respective acquired subsidiaries were accounted for as other reserve in the consolidated financial statements.

The Group had elected to restate its comparatives to account for the acquisitions as if the acquisitions had occurred at the beginning of the earliest comparative period presented.

13. ACCOUNTANTS' REPORT (CONT'D)

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32. Acquisition of business operations and subsidiaries (continued)

32.2 Acquisition of subsidiaries (continued)

Effect of the acquisition of subsidiaries on the financial position of the Group

	KPM RM'000	KGEV RM'000	KG RM'000	EBSB RM'000	KNSB RM'000	KSTS RM'000	Total RM'000
Property, plant and equipment	236,462	23,104	43	1,865	730	312	262,516
Right-of-use assets	160,647	-	-	46	27	144	160,864
Intangible assets	-	-	-	-	-	627	627
Deferred tax assets	-	-	-	-	-	64	64
Biological assets	3,164	-	-	-	-	-	3,164
Inventories	9,216	-	-	5,681	171	31	15,099
Trade and other receivables	15,634	732	-	5,485	1,525	1,365	24,741
Tax recoverable	-	-	-	12	6	239	257
Cash and bank balances	431	519	76	1,679	3,305	1,438	7,448
Loans and borrowings	-	(19,227)	-	(84)	-	(115)	(19,426)
Trade and other payables	(38,105)	(3,902)	(19)	(7,252)	(4,863)	(1,273)	(55,414)
Tax payables	(1,510)	-	-	-	-	-	(1,510)
Deferred tax liabilities	(66,547)	-	-	-	(24)	-	(66,571)
Lease liabilities	-	-	-	(46)	-	(149)	(195)
Identifiable assets acquired and liabilities assumed at book value	319,392	1,226	100	7,386	877	2,683	331,664
Retained earnings	(300,348)	1,275	12,379	(3,386)	8,123	(2,583)	(284,540)
Non-controlling interest	-	(552)	-	-	-	-	(552)
Purchase consideration settled by equity	(319,392)	(674)	(100)	(7,386)	(877)	(2,683)	(331,112)
Other reserve	(300,348)	1,275	12,379	(3,386)	8,123	(2,583)	(284,540)
Cash inflow arising from acquisition							
Cash and cash equivalent of subsidiaries acquired	431	519	76	1,679	3,305	1,438	7,448
Net cash inflow arising from acquisition	431	519	76	1,679	3,305	1,438	7,448

33. Subsequent events

(i) Shareholders' Agreement ("SHA") with Fuji Oil Asia Pte Ltd ("FOA")

On 25 January 2024, the Group entered into a Shareholders' Agreement ("SHA") with Fuji Oil Asia Pte Ltd ("FOA") to regulate the rights and obligations of the parties as shareholders in developing a specialty oils and fats refinery operating on renewable energy.

On 30 January 2024, the Group incorporated a new wholly-owned subsidiary, JPG Refinery Sdn. Bhd. ("JPGR"). On 27 March 2024, JPGR issued new shares totaling 98 units. The Group and FOA acquired these shares at RM1 each, resulting in ownership of 51% by the Group and 49% by FOA as stipulated in the SHA.

On 1 April 2024, JPGR changed its name from JPG Refinery Sdn. Bhd. to JPG Fuji Sdn. Bhd..

These transactions had no significant effect on the financial position or results of the Group.

(ii) Listing

On 27 March 2024, JPG has obtained approval from the SC to list on the Main Market of Bursa Securities.

Pursuant to the listing, JPG's initial public offering ("IPO") of up to 875.00 million ordinary shares in the Company will comprise a public issue of 464.00 million new shares and an offer for sale of up to 411.00 million existing shares. Of these 875.00 million shares, up to 485.00 million will be made available to Malaysians and foreign institutions, 312.50 million will be allocated to Bumiputera investors approved by the Ministry of Investment, Trade and Industry, 50.00 million shares will be made available for application by the Malaysian public by way of balloting while the remaining 27.50 million shares will be earmarked for eligible persons who have contributed to the success of the JPG group.

On 24 April 2024, JPG subdivided 1,501,999,772 ordinary shares into 2,036,000,000 ordinary shares to facilitate and enhance the liquidity of the shares for the purpose of the listing.

13. ACCOUNTANTS' REPORT (CONT'D)

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The Board of Directors
Johor Plantations Group Berhad
(formerly known as Johor Plantations Berhad)
 K.B. 705, Ulu Tiram Estate,
 81800 Ulu Tiram,
 Johor Darul Takzim,
 Malaysia

26 May 2024

Dear Sirs,

Reporting Accountants' opinion on the consolidated financial statements contained in the Accountants' Report of Johor Plantations Group Berhad

Opinion on the Consolidated Financial Statements

We have audited the consolidated financial statements of Johor Plantations Group Berhad ("JPlant" or the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statements of financial position as at 31 December 2023, 31 December 2022, 31 December 2021 and 31 December 2020, and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies, as set out on pages 1 to 74. The consolidated financial statements of the Group have been prepared for inclusion in the Company's prospectus in connection with the listing of and quotation for the entire issued and paid-up share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and for no other purposes.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial positions of the Group as at 31 December 2023, 31 December 2022, 31 December 2021 and 31 December 2020 and of its consolidated financial performance and cash flows for the years then ended in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards.

13. ACCOUNTANTS' REPORT (CONT'D)

*Johor Plantations Group Berhad ("JPlant" or the "Company")
(formerly known as Johor Plantations Berhad)
Accountants' Report on the
Consolidated Financial Statements
26 May 2024*

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Reporting Accountants' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Responsibilities of the Directors for the Consolidated Financial Statements

The Board of Directors of the Company (the "Directors") are responsible for the preparation of consolidated financial statements of the Group that give a true and fair view in accordance with Malaysian Financial Reporting Standards and IFRS Accounting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements of the Group that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements of the Group, the Directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Reporting Accountants' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements of the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

13. ACCOUNTANTS' REPORT (CONT'D)

*Johor Plantations Group Berhad ("JPlant" or the "Company")
(formerly known as Johor Plantations Berhad)
Accountants' Report on the
Consolidated Financial Statements
26 May 2024*

Reporting Accountant's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements of the Group, including the disclosures, and whether the consolidated financial statements of the Group represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on Distribution and Use

This report is made solely to the Company and for inclusion in the Company's prospectus in connection with the listing of and quotation for the entire issued and paid-up share capital of the Company on the Main Market of Bursa Securities Berhad and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Muhammad Azman Bin Che Ani
Approval Number: 02922/04/2026 J
Chartered Accountant

14. ADDITIONAL INFORMATION

14.1 SHARE CAPITAL

- (i) No securities will be allotted or issued on the basis of this Prospectus later than six months after the date of this Prospectus.
- (ii) As at the date of this Prospectus, we have only one class of shares, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iii) Save for the new Shares issued to Kulim pursuant to the Pre-Listing Restructuring, Capitalisation and the Public Issue, no shares, stocks, or debentures of our Company have been issued or proposed to be issued as fully or partly paid-up in cash or otherwise, within 2 years immediately preceding the date of this Prospectus.
- (iv) None of the share capital of our Company and our subsidiaries are under option or agreed conditionally or unconditionally to be put under option as at the date of this Prospectus.
- (v) Save for the IPO Shares reserved for subscription by the Eligible Persons as disclosed in Section 4.1.2 of this Prospectus, and subject to our Listing, there is currently no other scheme involving our Directors and employees in the share capital of our Company or any of our subsidiaries.
- (vi) As at the date of this Prospectus, neither our Company nor our subsidiaries have any outstanding warrants, options, convertible securities or uncalled capital.
- (vii) Save as disclosed in Section 2.2 of this Prospectus and save as provided for under our Constitution as reproduced in Section 14.2 below and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in any of our Company or our subsidiaries or upon the declaration or payment of any dividend or distribution.
- (viii) During the last financial year up to the LPD, there were no:
 - (a) public take-over offers by third parties in respect of our Shares; and
 - (b) public take-over offers by our Company in respect of other companies' securities.

14.2 EXTRACTS OF OUR CONSTITUTION

The following provisions are extracted from our Constitution and are qualified in its entirety by the remainder provisions of our Constitution and by applicable law.

The words, terms and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless they are otherwise defined herein or the context otherwise requires.

(i) Transfer of securities

Clause 36 - Transfer of securities

"The instrument of transfer of any Securities shall be in writing and in the form approved in the Rules and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the Securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed Securities or class of listed Securities of the Company shall be by way of book entry by the Depository in accordance with the Rules and notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of listed Securities."

14. ADDITIONAL INFORMATION (CONT'D)**Clause 37 - Suspension of transfer of securities**

“Subject to the Rules and Listing Requirements, the transfer of any Securities may be suspended at such times and for such periods as the Directors may from time to time determine. Ten (10) Market Days’ notice, or such other period as may from time to time be specified by the Exchange governing the Register concerned, of intention to close the Register shall be given to the Exchange. At least three (3) Market Days’ prior notice shall be given to the Bursa Depository to prepare the appropriate Record of Depositors.”

Clause 39 - Renunciation

“Subject to the provisions of this Constitution, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person.”

(ii) Remuneration of Directors**Clause 106 - Directors’ remuneration**

“The Directors shall be paid by way of remuneration for their services, such fees and any other benefits payable to such Directors (if any) shall be subject to annual shareholder approval at General Meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine, PROVIDED ALWAYS that:

- (a) save as provided in Clause 106(a) hereof, an Executive Director shall, subject to the terms and any agreement (if any) entered into in any particular case, receive such remuneration (whether by way of salary, commission or participation in profits or partly in one way and partly in another) as the Directors may determine. All remuneration, other than the fees provided for in Clause 106(a) hereof, payable to the Non-Executive Directors shall be determined by a resolution of the Company in a General Meeting;
- (b) fees payable to Non-Executive Directors shall be a fixed sum, and not by a commission on or percentage of profits or turnover;
- (c) salaries payable to Executive Directors may not include a commission or on percentage of turnover; and
- (d) fees and benefits payable to Directors shall not be increased except pursuant to resolution passed at a General Meeting, where notice of the proposed increase has been given in the notice convening the meeting.”

Clause 107 - Reimbursement of expenses

“The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending Board Meetings or General Meetings of the Company.”

(iii) Voting and borrowing powers of Directors**Clause 113 - Directors’ borrowing power and issue debentures**

“The Director may exercise all the powers of the Company to borrow and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other Securities whether outright or as security for any debt, liability or obligation of any person or persons or of any company, whether or not having objects or engaged or intending to engage in business similar to those of the Company, including (without limitation) any company which is for the time being associated or allied with the Company in business or which is the holding company or a subsidiary (as defined in Section 4 of the Act) or an associated company.”

14. ADDITIONAL INFORMATION (CONT'D)**Clause 114 - Other powers of directors**

"The Directors may borrow or raise any such money as aforesaid upon or by the issue or sale of any bonds, debentures, debenture stock or securities, and upon such terms as to time of repayment, rate of interest, price of issue or sale, payment of bonus upon redemption or repayment or otherwise as they may think proper. The Company may in a General Meeting grant a right for the holders of bonds, debentures, debenture stock or securities to exchange the same for Shares in the Company or any class authorised to be issued."

Clause 130 - Chairman to have casting vote

"Subject to these Clauses any question arising at any meeting of Directors shall be decided by a majority of votes where each Director shall have one (1) vote and a determination by a majority of Directors shall for all purposes be deemed a determination of the Board. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. However, where the quorum is made up of only two (2) Directors, the Chairman of a meeting at which only such quorum is present, or where only two (2) Directors are competent to vote on the question at issue, shall not have a second or casting vote."

Clause 134 - Restriction on voting

"A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest. Without prejudice to the generality of the foregoing, a Director shall also not vote in regard to any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that other company or as a holder of shares or other securities in that other company."

(iv) Changes to share capital**Clause 49 - Modification of class rights**

"If at any time, the share capital by reason of the issue of preference shares or otherwise is divided into different classes the repayment of such preferred capital or all or any of the rights and privileges attached to each class may subject to the provisions of the Act be varied, modified, commuted, affected, abrogated or dealt with by a written consent representing not less than seventy-five per centum (75%) of the total voting rights of the preference shareholders or by Special Resolution passed by the holders with at least seventy-five per centum (75%) of the total voting rights at a separate general meeting of the holders of that class and all the provisions hereinafter contained as to general meetings shall equally apply to every such meeting except that the quorum hereof shall be Members holding or representing by proxy at least three-fourths (3/4) of the issued shares of the class. Provided however that in the event of the necessary majority for such a Special Resolution not having been obtained in the manner aforesaid consent in writing may be secured from Members holding at least seventy-five per centum (75%) of the total voting rights and such consent if obtained within two (2) months from the date of the separate general meeting shall have the force and validity of a resolution duly carried by a vote in person or by proxy."

14. ADDITIONAL INFORMATION (CONT'D)**(v) Rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights****Clause 5 - Allotment of Shares and power to issue Shares**

“Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the Act, the Listing Requirements and to the conditions, restrictions and limitations expressed in this Constitution, the Directors may allot shares or grant rights to subscribe for or otherwise dispose of the unissued Shares in the Company to such persons, at such time and on such terms and conditions, with such preferred or deferred or other special rights or such restrictions whether in regard to dividend, voting, return of capital or otherwise as the Directors deem fit, subject to any Ordinary Resolution of the Company and the requirements of the Act and the Listing Requirements, PROVIDED ALWAYS THAT:

- (a) no Shares shall be issued which shall have the effect of transferring a controlling interest in the Company without the prior approval of the Members in a General Meeting;
- (b) every issue of Shares or options to employees and/or Directors of the Company and its subsidiaries under Share Issuance Scheme shall be approved by the Members in General Meeting and no Director shall participate in a Share Issuance Scheme unless the Members in General Meeting have approved the specific allotment to be made to such Director;
- (c) the rights attaching to the Shares of a class other than Ordinary Shares be expressed in this Constitution and in the resolution creating the Shares; and
- (d) the Company shall have the power to issue preference capital ranking equally with, or in priority to, preference shares already issued.”

Clause 6 - Issue of preference shares

“Subject to the Act and the Listing Requirements, any preference shares may with the sanction of an Ordinary Resolution be issued on the terms that they are or at the option of the Company are liable to be redeemed. The Company shall have the power to issue preference capital ranking equally with, or in priority to, preference shares already issued.”

Clause 8 - Rights of preference shareholders

“Preference shareholders of the Company shall have the same rights as ordinary shareholders with regards to receiving notices, reports and audited financial statements and attending General Meetings of the Company and shall also have the right to vote at any meeting in each of the following circumstances:

- (a) when the dividend or part of the dividend on the preference shares are in arrears for more than six (6) months;
- (b) on a proposal to reduce the Company's issued share capital;
- (c) on a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (d) on a proposal that affects the rights attached to the preference shares;
- (e) on a proposal to wind up the Company; and
- (f) during the winding-up of the Company.”

14. ADDITIONAL INFORMATION (CONT'D)

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his/her Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a depositor by means of entries in the securities account of that depositor.

A depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHTS TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Clause 60 which has been reproduced from our Constitution, there is no limitation on the right to own securities, including limitation on the right of non-residents or foreign shareholders to hold or exercise voting rights on our Shares:

Clause 60

Subject to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations, 1996 (where applicable), a Depositor shall not be regarded as a Member entitled to attend any General Meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors.

14.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

All corporations in Malaysia are required to adopt a single-tier dividend. All dividends distributed by Malaysian resident companies under a single-tier dividend are not taxable. Further, the Government of Malaysia does not levy withholding tax on dividend payment. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian resident companies. There is no Malaysian capital gains tax arising from the disposal of listed shares.

As at the date of this Prospectus, we do not have any foreign subsidiary or associated company which requires repatriation of capital and remittance of profits by or to our Group.

14.6 MATERIAL CONTRACTS

Save as disclosed below, there are no other material contracts (not being contracts entered into in the ordinary course of business) that have been entered into by our Group during the Financial Years Under Review and up to the date of this Prospectus:

(i) **Tenancy Agreement dated 23 February 2021 and Renewal Tenancy Agreement dated 26 September 2023 in respect of the rental of the Malay Reserved Estates**

On 23 February 2021, our Company (as tenant) entered into the Tenancy Agreement with JCorp (as landlord) for the rent of the Malay Reserved Estates for a principal term of 3 years, commencing from 1 July 2020 to 30 June 2023, at an aggregate rental of RM19,219,523. Following the expiry of the Tenancy Agreement, we had on 26 September 2023 entered into the Renewal Tenancy Agreement with the landlord for the renewal of the term of the Tenancy Agreement for a further period of 3 years, commencing from 1 July 2023 to 30 June 2026, at the same aggregate rental.

14. ADDITIONAL INFORMATION (CONT'D)

- (ii) **Business transfer agreement dated 27 September 2022 (as varied via a supplemental agreement dated 30 November 2022) in respect of the sale and transfer (1) the identified parcels of land at REM Estate, Basir Ismail Estate, Labis Bahru Estate, Mutiara Estate and Sungai Sembrong Estate (collectively, the identified properties), and (2) the oil palm plantation business of Kulim carried out on the identified properties (including all assets and liabilities thereof) (collectively, the identified business undertakings)**

On 27 September 2022, our Company (as purchaser) entered into a business transfer agreement (as varied via a supplemental agreement dated 30 November 2022) with Kulim (as vendor) for the sale and transfer of (1) the identified properties at the following estates, and (2) the identified business undertakings, at a final purchase consideration of approximately RM157.6 million, which was arrived at after taking into consideration (1) the NBV of the respective assets and liabilities, and (2) setting-off against existing amount owing by the vendor to us, based on the latest available unaudited management accounts prior to the prescribed completion date:

- (a) REM Estate;
- (b) Basir Ismail Estate;
- (c) Labis Bahru Estate;
- (d) Mutiara Estate; and
- (e) Sungai Sembrong Estate (subsequently been merged administratively into Mutiara Estate).

The final purchase consideration was satisfied by us via the issuance of 157,568,810 new Shares to Kulim in accordance with the terms of the business transfer agreement. Pursuant thereto, the sale and transfer of the identified business undertakings and the identified properties have been completed on 1 December 2022 and 30 June 2023 respectively in accordance with the terms of the business transfer agreement.

- (iii) **Business transfer agreement dated 27 September 2022 (as varied via a supplemental agreement dated 30 November 2022) in respect of the sale and transfer of (1) the identified parcels of land at Sungai Tawing Estate, Sindora Estate together with Sindora POM (collectively, the identified properties), and (2) the oil palm plantation and palm oil milling business of Sindora carried out on the identified properties (including all assets and liabilities thereof) (collectively, the identified business undertakings)**

On 27 September 2022, our Company (as purchaser) entered into a business transfer agreement (as varied via a supplemental agreement dated 30 November 2022) with Sindora (as vendor) for the sale and transfer of (1) the identified properties at the following estates and mill, and (2) the identified business undertakings, at a final purchase consideration of approximately RM433.3 million, which was arrived at after taking into consideration (1) the NBV of the respective assets and liabilities, and (2) setting-off against existing amount owing by the vendor to us, based on the latest available unaudited management accounts prior to the prescribed completion date:

- (a) Sungai Tawing Estate;
- (b) Sindora Estate; and
- (c) Sindora POM.

14. ADDITIONAL INFORMATION (CONT'D)

The final purchase consideration was satisfied by us via the issuance of 433,347,767 new Shares to Kulim (being a nominee appointed by the vendor to receive the consideration shares) in accordance with the terms of the business transfer agreement. Pursuant thereto, the sale and transfer of the identified business undertakings and the identified properties have been completed on 1 December 2022 and 30 June 2023 respectively in accordance with the terms of the business transfer agreement.

- (iv) **Business transfer agreement dated 27 September 2022 (as varied via a supplemental agreement dated 30 November 2022) in respect of the sale and transfer of (1) the identified parcels of land at Bukit Layang Estate (collectively, the identified properties), and (2) the oil palm plantation business of Kulim and UTMC carried out on the identified properties (including all assets and liabilities thereof) (collectively, the identified business undertakings)**

On 27 September 2022, our Company (as purchaser) entered into a business transfer agreement (as varied via a supplemental agreement dated 30 November 2022) with Kulim and UTMC (as vendor) for the sale and transfer of (1) the identified properties at Bukit Layang Estate, and (2) the identified business undertakings, at a final purchase consideration of approximately RM56.0 million, which was arrived at after taking into consideration (1) the NBV of the respective assets and liabilities, and (2) setting-off against existing amount owing by the vendor to us, based on the latest available unaudited management accounts prior to the prescribed completion date.

The final purchase consideration was satisfied by us via the issuance of 56,025,399 new Shares to Kulim (being a nominee appointed by the vendor to receive the consideration shares) in accordance with the terms of the business transfer agreement. Pursuant thereto, the sale and transfer of the identified business undertakings and the identified properties at Bukit Layang Estate have been completed on 1 December 2022 and 30 June 2023 respectively in accordance with the terms of the business transfer agreement.

- (v) **Business transfer agreement dated 27 September 2022 (as varied via a supplemental agreement dated 30 November 2022) in respect of the sale and transfer of (1) the identified parcels of land at Enggang Estate and Selai Estate (collectively, the identified properties), and (2) the oil palm plantation business of Selai carried out on the identified properties (including all assets and liabilities thereof) (collectively, the identified business undertakings)**

On 27 September 2022, our Company (as purchaser) entered into a business transfer agreement (as varied via a supplemental agreement dated 30 November 2022) with Selai (as vendor) for the sale and transfer of (1) the identified properties at Enggang Estate (subsequently been merged administratively into Selai Estate) and Selai Estate, and (2) the identified business undertakings, at a final purchase consideration of approximately RM242.3 million, which was arrived at after taking into consideration (1) the NBV of the respective assets and liabilities, and (2) setting-off against existing amount owing by the vendor to the purchaser, based on the latest available unaudited management accounts prior to the prescribed completion date.

The final purchase consideration was satisfied by us via the issuance of 242,336,078 new Shares to Kulim (being a nominee appointed by the vendor to receive the consideration shares) in accordance with the terms of the business transfer agreement. Pursuant thereto, the sale and transfer of the identified business undertakings and the identified properties have been completed on 1 December 2022 and 30 June 2023 respectively in accordance with the terms of the business transfer agreement.

14. ADDITIONAL INFORMATION (CONT'D)

- (vi) **Business transfer agreement dated 27 September 2022 (as varied via a supplemental agreement dated 30 November 2022) in respect of the sale and transfer of (1) the identified parcels of land at UMAC Estate (collectively, the identified properties), and (2) the oil palm plantation business of UMAC carried out on the identified properties (including all assets and liabilities thereof) (collectively, the identified business undertakings)**

On 27 September 2022, our Company (as purchaser) entered into a business transfer agreement (as varied via a supplemental agreement dated 30 November 2022) with UMAC (as vendor) for the sale and transfer of (1) the identified properties at UMAC Estate, and (2) the identified business undertakings, at a final purchase consideration of approximately RM102.1 million, which was arrived at after taking into consideration the NBV of the respective asset and liabilities, based on the latest available unaudited management accounts prior to the prescribed completion date.

It is a term under the business transfer agreement that the sale and transfer of the identified business undertakings and the identified properties at UMAC Estate may be completed notwithstanding the purchase consideration has not been settled as the purchase consideration shall become an amount due and owing by us to the vendor.

The sale and transfer of the identified business undertakings and the identified properties at UMAC Estate have subsequently been completed on 1 December 2022 and 30 June 2023 respectively in accordance with the terms of the business transfer agreement. The entire purchase consideration was subsequently novated by the vendor to its holding company, namely Pembangunan Mahamurni. Pembangunan Mahamurni has subsequently, on 26 February 2023, waived the entire outstanding purchase consideration.

- (vii) **Business transfer agreement dated 3 November 2022 (as varied via a supplemental agreement dated 30 November 2022) in respect of the sale and transfer of (1) the identified parcels of land at Sepang Loi Estate (collectively, the identified properties), and (2) the oil palm plantation business of Kumpulan Bertam carried out on the identified properties (including all assets and liabilities thereof) (collectively, the identified business undertakings)**

On 3 November 2022, our Company (as purchaser) entered into a business transfer agreement (as varied via a supplemental agreement dated 30 November 2022) with Kumpulan Bertam (as vendor) for the sale and transfer of (1) the identified properties at Sepang Loi Estate, and (2) the identified business undertakings, at a final purchase consideration of approximately RM72.5 million, which was arrived at after taking into consideration (1) the NBV of the respective assets and liabilities, and (2) setting-off against existing amount owing by the vendor to the purchaser, based on the latest unaudited management accounts prior to the prescribed completion date.

The final purchase consideration was satisfied by us via the issuance of new 72,541,165 new Shares to Kulim (being a nominee appointed by the vendor to receive the consideration shares) in accordance with the terms of the business transfer agreement. Pursuant thereto, the sale and transfer of the identified business undertakings and the identified properties at Sepang Loi Estate have been completed on 1 December 2022 and 30 June 2023 respectively in accordance with the terms of the business transfer agreement.

14. ADDITIONAL INFORMATION (CONT'D)**(viii) Share sale agreement dated 27 September 2022 (as varied via a supplemental agreement dated 30 November 2022) in respect of the sale and purchase of Kulim's entire shareholding interest in JPG Greenergy, JPG Greenergy Ventures and JPG Plantations**

On 27 September 2022, our Company (as purchaser) entered into a share sale agreement (as varied via a supplemental agreement dated 30 November 2022) with Kulim (as vendor) for the sale and purchase of the vendor's entire shareholding interest in the following companies:

- (a) 12,479,656 ordinary shares, representing 100% of the total issued share capital of JPG Greenergy, at a final purchase consideration of approximately RM0.1 million, via the issuance of 100,371 new Shares by us to Kulim;
- (b) 1,375,000 ordinary shares, representing 55% of the total issued share capital of JPG Greenergy Ventures, at a final purchase consideration of approximately RM0.7 million, via the issuance of 674,012 new Shares by us to Kulim; and
- (c) 22,000,000 ordinary shares, representing 100% of the total issued share capital of JPG Plantations, at a final purchase consideration of approximately RM319.4 million, via the issuance of 319,391,857 new Shares by us to Kulim,

of which the final purchase consideration for each of the aforesaid companies was arrived at after taking into consideration the NBV of the equity interest, based on the latest available unaudited management accounts prior to the prescribed completion date.

The share sale agreement has been completed in accordance with its terms on 1 December 2022.

(ix) Share sale agreement dated 30 November 2022 (as varied via a supplemental agreement dated 1 December 2022) in respect of the sale and purchase of Kulim's entire shareholding interest in JPG Planterra and JPG Terrasolutions

On 30 November 2022, our Company (as purchaser) entered into a share sale agreement (as varied via a supplemental agreement dated 1 December 2022) with Kulim (as vendor) for the sale and purchase of the vendor's entire shareholding interest in the following companies:

- (a) 9,000,000 ordinary shares, representing 100% of the total issued share capital of JPG Planterra, at a final purchase consideration of approximately RM0.9 million, via the issuance of 876,829 new Shares by us to Kulim; and
- (b) 100,000 ordinary shares, representing 100% of the total issued share capital of JPG Terrasolutions, at a final purchase consideration of approximately RM2.7 million, via the issuance of 2,682,750 new Shares by us to Kulim,

of which the final purchase consideration for each of the aforesaid companies was arrived at after taking into consideration the NBV of the equity interest, based on the latest available unaudited management accounts prior to the prescribed completion date.

The share sale agreement has been completed in accordance with its terms on 1 December 2022.

14. ADDITIONAL INFORMATION (CONT'D)**(x) Share sale agreement dated 30 November 2022 (as varied via a supplemental agreement dated 1 December 2022) in respect of the sale and purchase of EPA Management's entire shareholding interest in JPG Jenterra**

On 30 November 2022, our Company (as purchaser) entered into a share sale agreement (as varied via a supplemental agreement dated 1 December 2022) with EPA Management (as vendor) for the sale and purchase of the vendor's entire shareholding interest of 4,000,000 ordinary shares, representing 100% of the total issued share capital of JPG Jenterra, at a final purchase consideration of approximately RM7.4 million, via the issuance of 7,385,756 new Shares by us to Kulim (being a nominee appointed by the vendor to receive the consideration shares), of which the final purchase consideration was arrived at after taking into consideration the NBV of the equity interest, based on the latest available unaudited management accounts prior to the prescribed completion date.

The share sale agreement has been completed in accordance with its terms on 1 December 2022.

(xi) Shareholders' Agreement

On 25 January 2024, our Company entered into a shareholders' agreement with Fuji Oil Asia Pte Ltd for the purpose of regulating the rights and obligations of the parties as shareholders of JPG Fuji and governing the operations and management of JPG Fuji, with an agreed equity capital contribution of RM180.0 million and in the respective shareholding proportions of 51% of the issued share capital of JPG Fuji held by our Company and 49% of the issued share capital of JPG Fuji held by Fuji Oil Asia Pte Ltd.

(xii) Retail Underwriting Agreement

On 24 May 2024, our Company entered into the Retail Underwriting Agreement with our Managing Underwriter and Joint Underwriters to severally and not jointly (nor jointly and severally) underwrite 77,500,000 IPO Shares under the Retail Offering at an underwriting commission of up to 1.5% (exclusive of applicable tax) of the Retail Price, multiplied by the total number of IPO Shares underwritten under the Retail Offering, upon the terms and subject to the conditions contained in the Retail Underwriting Agreement.

(xiii) Master Cornerstone Placement Agreement

On 27 May 2024, our Company entered into the Master Cornerstone Placement Agreement with our Selling Shareholder, Joint Global Coordinators, Joint Bookrunners and Cornerstone Investors, under which the Cornerstone Investors have agreed to subscribe for, purchase and/or acquire an aggregate of 325,400,000 IPO Shares, representing approximately 13.0% of the enlarged issue share capital of our Company, pursuant to the Institutional Offering at RM0.84 per IPO Share or the Institutional Price, whichever is lower, upon the terms and subject to the conditions contained in the Master Cornerstone Placement Agreement and the relevant individual cornerstone placement agreements.

(xiv) Lock-up agreement dated 27 May 2024 in relation to our IPO and Listing

On 27 May 2024, our Company entered into a lock-up agreement with our Joint Bookrunners in relation to the lock-up arrangement for our IPO and Listing.

14.7 MATERIAL LITIGATION

Save as disclosed below and as at the LPD, we are not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and our Directors confirm that there are no proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect our financial or business position:

14. ADDITIONAL INFORMATION (CONT'D)**Johor Bahru Sessions Court (Summons No. JA-63-23-08/2022) - Public Prosecutor v JPG**

Via the letter of offer dated 31 March 2019, we have employed a general worker to carry out works at the Sedenak POM commencing 2 April 2019. Among his other responsibilities, he was also in charge of welding works at the Sedenak POM.

On 28 May 2020, while carrying out pipe welding works at the Sedenak POM, he sustained injury and was immediately sent to Hospital Temenggong Seri Maharaja Tun Ibrahim Kulai, Johor. Based on post-mortem examination, he was brought in dead to the hospital where the cause of death was due to electrocution.

As a result, DOSH has initiated a legal proceeding against our Company for breach of Section 15(1) of the OSHA for failure to ensure that, as far as is practicable, the safety, health and welfare at work of our employee. The proceeding is ongoing before the Johor Bahru Sessions Court, where the case management was held on 19 February 2024 and the trial dates have been fixed on 22 July 2024 to 25 July 2024.

In the event our Company is found guilty, it can be fined up to a maximum of RM50,000 or to imprisonment for a term not exceeding 2 years or to both. However, as we are a body corporate, pursuant to the provisions of Sections 52 and 56 of the OSHA, we are not subject to any penal penalties such as imprisonment and are only subject to the imposition of a fine upon conviction. It should also be noted that none of our directors, manager, secretary or other officers have to date been charged with any offence in respect of the matter and hence they are not subject to any potential fine or term of imprisonment under Section 52 of the OSHA.

The solicitors of our Company are unable to opine on the outcome of the legal proceeding at this juncture as the case is still at a preliminary stage and it is subject to the outcome of the trial fixed in July 2024.

Pending outcome of the legal proceeding, as disclosed in Section 7.19.3(v) of this Prospectus, we have implemented Safety Measures to further strengthen our control measures so as to prevent occurrence of similar accident.

The above matter is not expected to have a material adverse impact to our Group's business operations and financial condition as:

- (i) our Group has implemented safety measures, in addition to its existing control measures in place, to prevent occurrence of similar accident;
- (ii) our Group has not been imposed any stop work order as a result of the fatality or the ongoing legal proceeding; and
- (iii) the potential financial penalty represents less than 0.1% of our Group's PAT during the Financial Years Under Review.

As the legal proceeding is still ongoing, there is an even chance that we may or may not be successful. Nonetheless, as the maximum potential penalty imposable on us is limited to a maximum financial penalty of RM50,000, our Board is of the view that the legal proceeding would not have a material impact to our business operations and/or financial condition.

14.8 CONSENTS

The written consents of the Principal Adviser, Joint Global Coordinators, Joint Bookrunners, Managing Underwriter, Joint Underwriters, legal advisers, Share Registrar and Issuing House and Company Secretaries as set out in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names and references thereto in the form and context in which such names appear have been given before the issue of this Prospectus and have not subsequently been withdrawn.

14. ADDITIONAL INFORMATION (CONT'D)

The written consent of our Auditors and Reporting Accountants for the inclusion of their name, the Accountants' Report and the Reporting Accountants' Report on the Compilation of Pro Forma Consolidated Statement of Financial Position, and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

The written consent of our Independent Market Researcher for the inclusion of its name, the IMR Report and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

14.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office at Level 11, Menara KOMTAR, Johor Bahru City Centre, 80000 Johor Bahru, Johor, Malaysia, during office hours for a period of at least six months from the date of issue of this Prospectus:

- (i) our Constitution;
- (ii) the audited financial statements of our Company and our subsidiaries for the Financial Years Under Review;
- (iii) the IMR Report as set out in Section 8 of this Prospectus and the IMR Report;
- (iv) the Reporting Accountants' Report on the Compilation of Pro Forma Consolidated Statements of Financial Position as set out in Section 12.8 of this Prospectus;
- (v) the Accountants' Report as set out in Section 13 of this Prospectus;
- (vi) our material contracts referred to in Section 14.6 of this Prospectus;
- (vii) the relevant cause papers in respect of the material litigation as disclosed in Section 14.7 of this Prospectus; and
- (viii) the letters of consent given by parties as disclosed in Section 14.8 of this Prospectus.

14.10 RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which, if omitted, would make any statement in this Prospectus false or misleading.

RHB Investment Bank, being the Principal Adviser, Joint Global Coordinator and Joint Bookrunner for the Institutional Offering, and the Managing Underwriter and Joint Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

15.1 OPENING AND CLOSING OF APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 12 JUNE 2024

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 24 JUNE 2024

In the event of any changes to the date or time for closing, we will advertise the notice of changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia, and make an announcement on the website of Bursa Malaysia Berhad.

Late Applications will not be accepted.

15.2 METHODS OF APPLICATION

15.2.1 Application of our IPO Shares under the Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

<u>Types of Application and category of investors</u>	<u>Application Method</u>
Applications by the Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

15.2.2 Application of our IPO Shares under the Institutional Offering

<u>Types of Application</u>	<u>Application Method</u>
Applications by:	
(a) Institutional and selected investors	Our Joint Global Coordinators and Joint Bookrunners will contact the investors directly. They should follow the instructions of Joint Global Coordinators and Joint Bookrunners.
(b) Bumiputera investors approved by the MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)**15.3 ELIGIBILITY****15.3.1 General**

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third-party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO APPLY FOR IPO SHARES USING A JOINT BANK ACCOUNT SHOULD COMMUNICATE WITH THE FINANCIAL INSTITUTION IN CHARGE OF IPO APPLICATION TO PROVIDE THE MATCHING NAME IN THE JOINT BANK ACCOUNT AGAINST HIS/ HER CDS ACCOUNT TO ISSUING HOUSE. THIS IS TO ENSURE THAT ISSUING HOUSE RECEIVES IPO APPLICATION WHERE THE NAME IN THE JOINT BANK ACCOUNT MATCHES AGAINST THE NAME IN THE CDS ACCOUNT AND TO MINIMISE THE INCIDENT OF REJECTED IPO APPLICATION DUE TO "CDS ACCOUNT BELONGS TO OTHER PERSON". COMPANY, PRINCIPAL ADVISER & ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUE ARISING THEREAFTER.

15.3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares;
 - (b) a corporation/ institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/ trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) you must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

- (iii) you must submit Applications by using only one of the following methods:
- (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

15.3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation.

The Eligible Persons who have made applications using the Pink Application Form may still apply for our IPO Shares allocated to the Malaysia Public using the White Application Form or through the Electronic Share Application or the Internet Share Application.

15.4 APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The **FULL** amount payable is RM0.84 for each IPO Share.

Payment must be made out in favour of "**MIH SHARE ISSUE ACCOUNT NO. 642**" and crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd
 (Registration No. 199301003608 (258345-X))
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13
 46200 Petaling Jaya
 Selangor Darul Ehsan

or

P.O. Box 00010
 Pejabat Pos Jalan Sultan
 46700 Petaling Jaya
 Selangor Darul Ehsan

- (ii) or **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan

so as to arrive not later than 5.00 p.m. on 24 June 2024 or by such other time and date specified in any change to the date or time for closing.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

15.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATMs of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Electronic Participating Financial Institutions.

15.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd and Public Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions.

15.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board, reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 below.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice, nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of our IPO Shares and the balloting results in connection therewith will be furnished by the Issuing House to the SC and Bursa Securities as well as posted on the Issuing House's website www.mih.com.my within 1 business day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation as set out in Section 4.1.3 of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Joint Underwriters based on the terms of the Retail Underwriting Agreement.

15.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

15.9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

15.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve, and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (iv) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to you without any interest thereon. The refund will be credited into your bank account for purposes of cash dividend/ distribution if you have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to your address maintained with Bursa Directory if you have not provided such bank account information to Bursa Depository, or by crediting into your account with the Electronic Participating Financial Institutions for applications made via the Electronic Share Application or by crediting into your account with the Internet Participating Financial Institutions for applications made via the Internet Share Application, within 10 Market Days from the date of final ballot of application, at your own risk.

15.10 SUCCESSFUL APPLICANTS

If you are successful in your application:

- (i) Our IPO Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your registered or correspondence address last maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. Consequently, our IPO Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (CONT'D)

- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

15.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at telephone no. +6(03) 7890 4700
Electronic Share Application	Participating Financial Institution
Internet Share Application	The relevant Internet Participating Financial Institution and Authorised Financial Institution

You may also check the status of your Application by calling your respective ADA during office hours at the telephone number as set out in the list of ADAs Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities or the Issuing House at the telephone no. (603) 7890 4700 between 5 to 10 Market Days (during office hours only) after the final ballot day.

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS

As at the LPD, we hold the following major certifications, licenses, permits and approvals for our business operations:

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
<u>Certifications</u>							
1.	JPG	BSI Services Malaysia Sdn Bhd	Certificate to certify that the respective POMs operate a production and management system which complies with the requirements of Malaysia National Interpretation 2019 of RSPO Principles and Criteria for Sustainable Palm Oil Production 2018; with supply chain identity preserved module for the scope of production of sustainable CPO and PK	(a) Certificate No.: RSPO 657192 (Pasir Panjang POM)	12 April 2022/ 12 April 2020 to 8 March 2027	Nil	N/A
				(b) Certificate No.: RSPO 613087 (Palong Cocoa POM)	7 March 2024/ 7 March 2024 to 22 January 2029	Nil	N/A
				(c) Certificate No.: RSPO 613086 (Tereh POM)	23 January 2024/ 23 January 2024 to 22 January 2029	Nil	N/A
				(d) Certificate No.: RSPO 612392 (Sindora POM)	13 March 2024/ 13 March 2024 to 22 January 2029	Nil	N/A

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate to certify that the Sedenak POM operates a production and management system which complies with the requirements of Malaysia National Interpretation 2019 of RSPO Principles and Criteria for Sustainable Palm Oil Production 2018; with supply chain mass balance for the scope of production of sustainable CPO and PK	Certificate No.: RSPO 537873 (Sedenak POM)	13 March 2024/ 13 March 2024 to 22 January 2029	Nil	N/A
			Certificate to certify that the Bukit Layang Estate operates a production and management system which complies with the requirements Malaysia National Interpretation 2019 of RSPO Principles & Criteria for Sustainable Palm Oil Production: 2018; with supply chain identity preserved for the scope of production of sustainable FFB	Certificate No.: RSPO 720133 (Bukit Layang Estate)	7 April 2020/ 7 April 2020 to 6 April 2025	Nil	N/A

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
2.	JPG	BSI Services Malaysia Sdn Bhd	Certificate to certify that the respective estates operate a production and management system which complies with the requirement of MS2530-3:2013 MSPO Part 3: General Principles for Oil Palm Plantations and Organized Smallholders for the scope of production of sustainable oil palm fruits	(a) Certificate No.: MSPO 697952 (Sindora Estates) (b) Certificate No.: MSPO 697948 (Sedenak Estates) (c) Certificate No.: MSPO 696200 (Pasir Panjang Estates) (d) Certificate No.: MSPO 698011 (Palong Cocoa Estates) (e) Certificate No.: MSPO 698005 (Tereh Estates)	10 March 2024/ 10 March 2024 to 9 March 2029 30 March 2024/ 30 March 2024 to 29 March 2029 31 March 2024/ 31 March 2024 to 7 March 2029 1 April 2024/ 1 April 2024 to 31 March 2029 2 April 2024/ 2 April 2024 to 1 April 2029	(i) The certificate can be withdrawn in case of terminations as mentioned in the contract or in case of changes of deviations of the data mentioned in the certificate. (ii) The licence holder is obliged to inform BSI Services Malaysia Sdn Bhd immediately of any changes in the data mentioned in the certificate.	Noted

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate to certify that the respective POMs operate a production and management system which complies with the requirement of MS2530-4:2013 MSPO Part 4: General Principles for POM for the scope of production of sustainable palm oil and palm oil products	(a) Certificate No.: MSPO 697951 (Sindora POM)	10 March 2024/ 10 March 2024 to 9 March 2029	(i) The certificate can be withdrawn in case of terminations as mentioned in the contract or in case of changes of deviations of the data mentioned in the certificate. (ii) The certificate holder is obliged to inform BSI Services Malaysia Sdn Bhd immediately of any changes in the data mentioned in the certificate.	Noted
		(b) Certificate No.: MSPO 697947 (Sedenak POM)		30 March 2024/ 30 March 2024 to 29 March 2029			
		(c) Certificate No.: MSPO 696199 (Pasir Panjang POM)		31 March 2024/ 31 March 2024 to 7 March 2029			
		(d) Certificate No.: MSPO 698010 (Palong Cocoa POM)		1 April 2024/ 1 April 2024 to 31 March 2029			
		(e) Certificate No.: MSPO 698004 (Tereh POM)		2 April 2024/ 2 April 2024 to 1 April 2029			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
3.	JPG	Bureau Veritas Certification (Malaysia) Sdn Bhd	Certificate to certify the respective POMs has been audited and found to be in accordance with the requirements of the MSPO Supply Chain Certification Standard for the scope concerning the purchase of MSPO certified FFB; processing and sales of MSPO certified CPO and PK using mass balance model of MSPO Supply Chain Certification Standard	(a) Certificate No.: BVC-MSPO/ SC-0029 (Tereh POM)	22 February 2023/ 22 February 2023 to 10 March 2025	(i) The certificate can be withdrawn in case of terminations as mentioned in the contract or in case of changes or deviations of the data mentioned in the certificate.	Noted
			(b) Certificate No.: BVC-MSPO/ SC-0030 (Pasir Panjang POM)	9 February 2023/ 9 February 2023 to 10 March 2025			
			(c) Certificate No.: BVC-MSPO/ SC-0031 (Palong Cocoa POM)	9 February 2023/ 9 February 2023 to 10 March 2025	(ii) The certificate holder is obliged to inform Bureau Veritas Certification (Malaysia) Sdn Bhd immediately of any changes in the data mentioned in the certificate.		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate to certify the respective POMs has been audited and found to be in accordance with the requirements of the MSPO Supply Chain Certification Standard for the scope concerning the purchase of MSPO certified FFB; processing and sales of MSPO certified palm oil products using mass balance model of MSPO Supply Chain Certification Standard	(a) Certificate No.: BVC-MSPO/ SC-0027 (Sedenak POM) (b) Certificate No.: BVC-MSPO/ SC-0028 (Sindora POM)	9 February 2023/ 9 February 2023 to 10 March 2025 22 February 2023/ 22 February 2023 to 10 March 2025	(i) The certificate can be withdrawn in case of terminations as mentioned in the contract or in case of changes or deviations of the data mentioned in the certificate. (ii) The certificate holder is obliged to inform Bureau Veritas Certification (Malaysia) Sdn Bhd immediately of any changes in the data mentioned in the certificate.	Noted

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
4.	JPG	Department of Islamic Development Malaysia (“JAKIM”)	Certificate to certify that the CPO manufactured/distributed/ managed by the respective POMs has complied with Islamic Law and Malaysian Halal Standard and approved by Halal Certification Panel of Jabatan Agama Islam Negeri Johor	(a) Serial No.: A199300 (Palong Cocoa POM) (b) Serial No.: A191414 (Pasir Panjang POM) (c) Serial No.: A198174 (Sedenak POM) (d) Serial No.: A204083 (Sindora POM) (e) Serial No.: A204082 (Tereh POM)	1 July 2023/ 1 July 2023 to 30 June 2025 1 March 2023/ 1 March 2023 to 28 February 2025 1 June 2023/ 1 June 2023 to 31 May 2025 1 September 2023/ 1 September 2023 to 31 August 2025 1 September 2023/ 1 September 2023 to 31 August 2025	(i) Any subsequent changes to the particulars of the name or address of the company factory or premise, brands, ingredients, suppliers or anything related shall be informed in writing to JAKIM and/or the State Islamic Religious Affairs Council/State Department of Islamic Religious Affairs for further action. (ii) Renewal application shall be submitted at the earliest 6 months or no later than 3 months before the expiry of the halal certificate.	Noted

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
5.	JPG	Fire and Rescue Department of Malaysia	Fire certificate to certify that the Palong Cocoa POM has complied with the requirements relating to fire-fighting equipment or fire safety installation in accordance with the Fire Services Act 198 and that a fire safety organization has been established and a fire and emergency responses plan and a fire safety report have been prepared in respect of the Palong Cocoa POM in accordance with the Fire Services Act 1988	Certificate No.: JBPM:JH/7/263/2023 (Palong Cocoa POM)	8 June 2023/ 8 June 2023 to 7 June 2024*	Nil	N/A
					Note: * <i>JPG has submitted an application to the Fire and Rescue Department for the renewal of the fire certificate on 4 June 2024, and is currently pending the Fire and Rescue Department to process the application.</i>		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
6.	JPG	Fire and Rescue Department of Malaysia	Fire certificate to certify that the Pasir Panjang POM has complied with the requirements relating to fire-fighting equipment or fire safety installation in accordance with the Fire Services Act 198 and that a fire safety organization has been established and a fire and emergency responses plan and a fire safety report have been prepared in respect of the Pasir Panjang POM in accordance with the Fire Services Act 1988	Certificate No.: JBPM:JH/7/610/2023 (Pasir Panjang POM)	20 November 2023/ 20 November 2023 to 19 November 2024	Nil	N/A
7.	JPG	Fire and Rescue Department of Malaysia	Fire certificate to certify that the Sedenak POM has complied with the requirements relating to fire-fighting equipment or fire safety installation in accordance with the Fire Services Act 198 and that a fire safety organization has been established and a fire and emergency responses plan and a fire safety report have been prepared in respect of the Sedenak POM in accordance with the Fire Services Act 1988	Certificate No.: JBPM:JH/7/109/2024 (Sedenak POM)	27 February 2024/ 27 February 2024 to 26 February 2025	Nil	N/A

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
8.	JPG	Metrology Corporation Malaysia Sdn Bhd	Certificate of verification of weights and measures for MPK(E) Weighcom (80,000kg) located at Pasir Panjang POM under Section 14 of the Weights and Measures Act 1972 and Regulation 16 of the Weights and Measures Regulations 1981	Serial No.: 2105038BC1 (Pasir Panjang POM)	4 August 2023/ 4 August 2023 to 3 August 2024	Nil	N/A
			Certificate of verification of weights and measures for ATK(E) BDI-2001B (80,000kg x 10kg) located at Palong Cocoa POM under Section 14 of the Weights and Measures Act 1972 and Regulation 16 of the Weights and Measures Regulations 1981	Serial No.: B219429 (Palong Cocoa POM)	1 August 2023/ 1 August 2023 to 31 July 2024	Nil	N/A
			Certificate of verification of weights and measures for MPK GSE-350 (70,000kg x 10kg) located at Sedenak POM under Section 14 of the Weights and Measures Act 1972 and Regulation 16 of the Weights and Measures Regulations 1981	Serial No.: B2152372 (Sedenak POM)	14 August 2023/ 14 August 2023 to 13 August 2024	Nil	N/A

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of verification of weights and measures for ATK(E) Bdi-2001B (70,000kg x 10kg) located at Sedenak POM under Section 14 of the Weights and Measures Act 1972 and Regulation 16 of the Weights and Measures Regulations 1981	Serial No.: B2100547 (Sedenak POM)	15 February 2024/ 15 February 2024 to 14 February 2025	Nil	N/A
9.	JPG Plantations	De Metrology Sdn Bhd	Certificate of verification of weights and measures for ATK(E) FLINTEC FT-11 (80,000kg x 10kg) located at Tereh POM under Section 14 of the Weights and Measures Act 1972 and Regulation 16 of the Weights and Measures Regulations 1981	Serial No.: D235224 (Tereh POM)	23 May 2024/ 23 May 2024 to 22 May 2025	Nil	N/A
			Certificate of verification of weights and measures for ATK(E) GSE 350 (60,000kg x 10kg) located at Tereh POM under Section 14 of the Weights and Measures Act 1972 and Regulation 16 of the Weights and Measures Regulations 1981	Serial No.: D235223 (Tereh POM)	23 May 2024/ 23 May 2024 to 22 May 2025	Nil	N/A

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
10.	Sindora POM	Metrology Corporation Malaysia Sdn Bhd	Certificate of verification of weights and measures for ATK(E) ZM305 (60,000kg x 10kg) located at Sindora POM under Section 14 of the Weights and Measures Act 1972 and Regulation 16 of the Weights and Measures Regulations 1981	Serial No.: B1931910 (Sindora POM)	20 May 2024/ 20 May 2024 to 19 May 2025	Nil	N/A										
11.	JPG Plantations	DOSH	Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209717	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A										
			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Registration no.</td> <td>JH PMT 23917</td> </tr> <tr> <td>Manufacturer</td> <td>Awan Timur Kluang Sdn Bhd</td> </tr> <tr> <td>Manufacturer no.</td> <td>ATK/VS/2800 /2014/04</td> </tr> <tr> <td>Name of machinery</td> <td>Pro Auto Sterilizer</td> </tr> <tr> <td>Location</td> <td>Tereh POM, KB No. 538, 86000 Kluang, Johor</td> </tr> </table>					Registration no.	JH PMT 23917	Manufacturer	Awan Timur Kluang Sdn Bhd	Manufacturer no.	ATK/VS/2800 /2014/04	Name of machinery	Pro Auto Sterilizer	Location	Tereh POM, KB No. 538, 86000 Kluang, Johor
Registration no.	JH PMT 23917																
Manufacturer	Awan Timur Kluang Sdn Bhd																
Manufacturer no.	ATK/VS/2800 /2014/04																
Name of machinery	Pro Auto Sterilizer																
Location	Tereh POM, KB No. 538, 86000 Kluang, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209718	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMT 23918			
			Manufacturer	Awan Timur Kluang Sdn Bhd			
			Manufacturer No.	ATK/VS/2800 /2014/05			
			Name of Machinery	Pro Auto Sterilizer			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209719	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMT 24353			
			Manufacturer	Awan Timur Kluang Sdn Bhd			
			Manufacturer No.	ATK/VS/2800 /2014/06			
			Name of Machinery	Pro Auto Sterilizer			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209720	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMT 24354			
			Manufacturer	Awan Timur Kluang Sdn Bhd			
			Manufacturer No.	ATK/VS/2800 /2014/07			
			Name of Machinery	Pro Auto Sterilizer			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to
JPG Plantations under the FMA
for unfired pressure vessel
bearing the following details:

Certificate No.:
PMT-JH/23 209723

13 June 2023/
13 June 2023 to
12 September 2024

Nil

N/A

Registration No.	JH PMT 80974
Manufacturer	HQ2618 – Hitachi Industrial Equipment (M) Sdn Bhd
Manufacturer No.	TH 23 2704
Name of Machinery	Air Receiver
Location	Tereh POM, KB No. 538, 86000 Kluang, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209721	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMT 20423			
			Manufacturer	84 – Ikhua Hardware & Machinery Sdn Bhd			
			Manufacturer No.	10180073			
			Name of Machinery	Air Receiver			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209722	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMT 20424			
			Manufacturer	408 – Tong Cheng Iron Works Co Ltd, Taiwan			
			Manufacturer No.	08162790			
			Name of Machinery	Air Receiver			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/24 230823

16 January 2024/
16 January 2024 to
29 January 2025

Nil

N/A

Registration No.	JH PMT 26859
Manufacturer	Choon Hin Engineering Works Sdn Bhd
Manufacturer No.	CH/BPR/751/2015
Name of Machinery	Back Pressure Receiver
Location	Tereh POM, KB No. 538, 86000 Kluang, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 211562	5 July 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	PMT 114303			
			Manufacturer	Puma Industrial Co Ltd			
			Manufacturer No.	H 5070136			
			Name of Machinery	Air Compressor			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209715	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMT 21980			
			Manufacturer	2468 – Awan Timur Kluang Sdn Bhd			
			Manufacturer No.	ATK/VS/2800 /2013/051(02)			
			Name of Machinery	Vertical Sterilizer			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 209716	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMT 21981			
			Manufacturer	2468 – Awan Timur Kluang Sdn Bhd			
			Manufacturer No.	ATK/VS/2800/ 2013/052(03)			
			Name of Machinery	Vertical Sterilizer			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for boiler bearing the following details:	Certificate No.: PMD-JH/24 230821	16 January 2024/ 16 January 2024 to 12 March 2025	Nil	N/A
			Registration No.	JH PMD 404			
			Manufacturer	Vickers Hoskins (M) Sdn Bhd			
			Manufacturer No.	20649			
			Name of Machinery	Bi-Drum Watertube Boiler			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for boiler bearing the following details:	Certificate No.: PMD-JH/23 209724	13 June 2023/ 13 June 2023 to 12 September 2024	Nil	N/A
			Registration No.	JH PMD 80258			
			Manufacturer	Boilermech Sdn Bhd			
			Manufacturer No.	BMVG0553			
			Name of Machinery	Bi-Drum Water Tube Boiler			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to JPG Plantations under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT- JH/24 230822	16 January 2024/ 16 January 2024 to 12 March 2025	Nil	N/A
			Registration No.	JH PMT 29331			
			Manufacturer	Tong Cheng Iron Works Co. Ltd, Taiwan			
			Manufacturer No.	15181417			
			Name of Machinery	Air Receiver			
			Location	Tereh POM, KB No. 538, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
12.	Palong Cocoa POM	DOSH	Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 214908	6 August 2023/ 6 August 2023 to 31 October 2024	Nil	N/A
				Registration No.	JH PMT 81139		
				Manufacturer	Longhai Power Industrial Co Ltd		
				Manufacturer No.	ZXA070167		
				Name of Machinery	Air Receiver		
				Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 218828	19 September 2023/ 19 September 2023 to 29 August 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 2536</td> </tr> <tr> <td>Manufacturer</td> <td>1487 – Modern Precision Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>TM 09 413</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Receiver</td> </tr> <tr> <td>Location</td> <td>Palong Cocoa POM, KB 504, 85009 Segamat, Johor</td> </tr> </table>	Registration No.	JH PMT 2536	Manufacturer	1487 – Modern Precision Sdn Bhd	Manufacturer No.	TM 09 413	Name of Machinery	Air Receiver	Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor				
Registration No.	JH PMT 2536																
Manufacturer	1487 – Modern Precision Sdn Bhd																
Manufacturer No.	TM 09 413																
Name of Machinery	Air Receiver																
Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 218825	19 September 2023/ 19 September 2023 to 29 August 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 27440</td> </tr> <tr> <td>Manufacturer</td> <td>HQ2668 – Vestech Engineering Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>VE/IR/120/15</td> </tr> <tr> <td>Name of Machinery</td> <td>Horizontal Air Receiver Tank</td> </tr> <tr> <td>Location</td> <td>Palong Cocoa POM, KB 504, 85009 Segamat, Johor</td> </tr> </table>	Registration No.	JH PMT 27440	Manufacturer	HQ2668 – Vestech Engineering Sdn Bhd	Manufacturer No.	VE/IR/120/15	Name of Machinery	Horizontal Air Receiver Tank	Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor				
Registration No.	JH PMT 27440																
Manufacturer	HQ2668 – Vestech Engineering Sdn Bhd																
Manufacturer No.	VE/IR/120/15																
Name of Machinery	Horizontal Air Receiver Tank																
Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 218827	19 September 2023/ 19 September 2023 to 29 August 2024	Nil	N/A
			Registration No.	PMT 60888			
			Manufacturer	Cidar Engineering Sdn Bhd			
			Manufacturer No.	CE/SR/100/ 90			
			Name of Machinery	Back Press Receiver			
			Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 222983	24 October 2023/ 24 October 2023 to 29 August 2024	Nil	N/A
			Registration No.	JH PMT 27041			
			Manufacturer	Profina Teknik Sdn Bhd			
			Manufacturer No.	PTSB/TSS/1 5/001			
			Name of Machinery	Telescoping Shell Sterilzer			
			Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 222984	24 October 2023/ 24 October 2023 to 29 August 2024	Nil	N/A
			Registration No.	JH PMT 27042			
			Manufacturer	Profina Teknik Sdn Bhd			
			Manufacturer No.	PTSB/TSS/1 5-002			
			Name of Machinery	Telescoping Shell Sterilizer			
			Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 222986	24 October 2023/ 24 October 2023 to 29 August 2024	Nil	N/A
			Registration No.	JH PMT 20585			
			Manufacturer	Awan Timur Kluang Sdn Bhd			
			Manufacturer No.	ATK/VS/2800 /12/01			
			Name of Machinery	Vertical Sterilizer			
			Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Palong Cocoa POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 222985	24 October 2023/ 24 October 2023 to 29 August 2024	Nil	N/A
			Registration No.	JH PMT 27043			
			Manufacturer	Profina Teknik Sdn Bhd			
			Manufacturer No.	PTSB/TSS/1 5-003			
			Name of Machinery	Telescoping Shell Sterilizer			
			Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Palong Cocoa POM under the FMA for boiler bearing the following details:	Certificate No.: PMD-JH/23 212268	11 July 2023/ 11 July 2023 to 29 August 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMD 1273</td> </tr> <tr> <td>Manufacturer</td> <td>HQ2648 – Boilermech Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>BMWT-0163</td> </tr> <tr> <td>Name of Machinery</td> <td>Dandang Stim Tiub Air</td> </tr> <tr> <td>Location</td> <td>Palong Cocoa POM, KB 504, 85009 Segamat, Johor</td> </tr> </table>	Registration No.	JH PMD 1273	Manufacturer	HQ2648 – Boilermech Sdn Bhd	Manufacturer No.	BMWT-0163	Name of Machinery	Dandang Stim Tiub Air	Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor				
Registration No.	JH PMD 1273																
Manufacturer	HQ2648 – Boilermech Sdn Bhd																
Manufacturer No.	BMWT-0163																
Name of Machinery	Dandang Stim Tiub Air																
Location	Palong Cocoa POM, KB 504, 85009 Segamat, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
13.	Sindora POM	DOSH	Certificate of fitness issued to Sindora POM under the FMA for boiler bearing the following details:	Certificate No.: PMD-JH/23 204978	16 April 2023/ 16 April 2023 to 22 May 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMD 2038</td> </tr> <tr> <td>Manufacturer</td> <td>Boilermech Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>BMWT0466</td> </tr> <tr> <td>Name of Machinery</td> <td>Bi Drum Water Tube Boiler</td> </tr> <tr> <td>Location</td> <td>Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor</td> </tr> </table>	Registration No.	JH PMD 2038	Manufacturer	Boilermech Sdn Bhd	Manufacturer No.	BMWT0466	Name of Machinery	Bi Drum Water Tube Boiler	Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor				
Registration No.	JH PMD 2038																
Manufacturer	Boilermech Sdn Bhd																
Manufacturer No.	BMWT0466																
Name of Machinery	Bi Drum Water Tube Boiler																
Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor																
					<p>Note: * <i>Sindora POM has submitted an application to DOSH for the renewal of the certificate of fitness on 18 May 2024, and is currently pending DOSH to process the application.</i></p>												

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sindora POM under the FMA for boiler bearing the following details:	Certificate No.: PMD-JH/23 219499	25 September 2023/ 25 September 2023 to 15 November 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMD 1436</td> </tr> <tr> <td>Manufacturer</td> <td>Vickers Hoskins (M) Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>20783</td> </tr> <tr> <td>Name of Machinery</td> <td>Bi Drum Water Tube Boiler</td> </tr> <tr> <td>Location</td> <td>Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor</td> </tr> </table>	Registration No.	JH PMD 1436	Manufacturer	Vickers Hoskins (M) Sdn Bhd	Manufacturer No.	20783	Name of Machinery	Bi Drum Water Tube Boiler	Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor				
Registration No.	JH PMD 1436																
Manufacturer	Vickers Hoskins (M) Sdn Bhd																
Manufacturer No.	20783																
Name of Machinery	Bi Drum Water Tube Boiler																
Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 219504	25 September 2023/ 25 September 2023 to 15 November 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 20895</td> </tr> <tr> <td>Manufacturer</td> <td>408 - Tong Chen Iron Works Co Ltd, Taiwan</td> </tr> <tr> <td>Manufacturer No.</td> <td>10180627</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Receiver Tank</td> </tr> <tr> <td>Location</td> <td>Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor</td> </tr> </table>	Registration No.	JH PMT 20895	Manufacturer	408 - Tong Chen Iron Works Co Ltd, Taiwan	Manufacturer No.	10180627	Name of Machinery	Air Receiver Tank	Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor				
Registration No.	JH PMT 20895																
Manufacturer	408 - Tong Chen Iron Works Co Ltd, Taiwan																
Manufacturer No.	10180627																
Name of Machinery	Air Receiver Tank																
Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 219500	25 September 2023/ 25 September 2023 to 15 November 2024	Nil	N/A
			Registration No.	PMT 107838			
			Manufacturer	Cidar Engineering Sdn Bhd			
			Manufacturer No.	CE/SR/663/9 7			
			Name of Machinery	Back Pressure Steam Receiver			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 219501	25 September 2023/ 25 September 2023 to 15 November 2024	Nil	N/A
			Registration No.	PMT 107844			
			Manufacturer	432 - Eure S.R.L Via Dante Alighieri, Italy			
			Manufacturer No.	12679			
			Name of Machinery	Shell Length Air Receiver			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 219502	25 September 2023/ 25 September 2023 to 15 November 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>PMT 107955</td> </tr> <tr> <td>Manufacturer</td> <td>Dancomair (M) Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>H7-18-223</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Compressor</td> </tr> <tr> <td>Location</td> <td>Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor</td> </tr> </table>	Registration No.	PMT 107955	Manufacturer	Dancomair (M) Sdn Bhd	Manufacturer No.	H7-18-223	Name of Machinery	Air Compressor	Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor				
Registration No.	PMT 107955																
Manufacturer	Dancomair (M) Sdn Bhd																
Manufacturer No.	H7-18-223																
Name of Machinery	Air Compressor																
Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 219505	25 September 2023/ 25 September 2023 to 15 November 2024	Nil	N/A
			Registration No.	JH PMT 30516			
			Manufacturer	Hitachi Industrial Equipment Co Ltd			
			Manufacturer No.	TH 23 2229			
			Name of Machinery	Air Receiver			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 219506

25 September
2023/
25 September 2023
to 15 November
2024

Nil

N/A

Registration No.	JH PMT 90205
Manufacturer	Merge Jati Engineering Sdn Bhd
Manufacturer No.	MJE/UFPV/T D1600/641/ 20
Name of Machinery	Thermal Deaerator
Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 219503	25 September 2023/ 25 September 2023 to 15 November 2024	Nil	N/A
			Registration No.	PMT 118943			
			Manufacturer	Vestech Engineering Sdn Bhd			
			Manufacturer No.	VE/IR/3085/ 97			
			Name of Machinery	Air Receiver			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 210969	25 June 2023/ 25 June 2023 to 18 September 2024	Nil	N/A
			Registration No.	JH PMT 95360			
			Manufacturer	Taner Industrial Technology (M) Sdn Bhd			
			Manufacturer No.	TNR/GPV/07 30/2022/VS/ 3200			
			Name of Machinery	Vertical Sterilizer			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 210970	25 June 2023/ 25 June 2023 to 18 September 2024	Nil	N/A
			Registration No.	JH PMT 95361			
			Manufacturer	Taner Industrial Technology (M) Sdn Bhd			
			Manufacturer No.	TNR/GPV/07 18/2022/VS/ 3200			
			Name of Machinery	Vertical Sterilizer			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 210972	25 June 2023/ 25 June 2023 to 18 September 2024	Nil	N/A
			Registration No.	JH PMT 95362			
			Manufacturer	Taner Industrial Technology (M) Sdn Bhd			
			Manufacturer No.	TNR/GPV/07 19/2022/VS/ 3200			
			Name of Machinery	Vertical Sterilizer			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 210973	25 June 2023/ 25 June 2023 to 18 September 2024	Nil	N/A
			Registration No.	JH PMT 95363			
			Manufacturer	Taner Industrial Technology (M) Sdn Bhd			
			Manufacturer No.	TNR/GPV/07 29/2022/VS/ 3200			
			Name of Machinery	Vertical Sterilizer			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sindora POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 210974	25 June 2023/ 25 June 2023 to 18 September 2024	Nil	N/A
			Registration No.	JH PMT 95364			
			Manufacturer	Taner Industrial Technology (M) Sdn Bhd			
			Manufacturer No.	TNR/GPV/07 17/2022/VS/ 3200			
			Name of Machinery	Vertical Sterilizer			
			Location	Sindora POM, Lot PTD 4433, Mukim Renggam, 86000 Kluang, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
14.	Pasir Panjang POM	DOSH	Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 217619	6 September 2023/ 6 September 2023 to 12 November 2024	Nil	N/A
			Registration No.	JH PMT 24785			
			Manufacturer	Hitachi Industrial Equipment (M) Sdn Bhd			
			Manufacturer No.	TH 09 3189			
			Name of Machinery	90 Liter Horizontal Air Receiver Tank			
			Location	Pasir Panjang POM, KB 537, POM, Mukim Kembau, 81909 Kota Tinggi, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 217620

6 September 2023/
6 September 2023
to 12 November
2024

Nil

N/A

Registration No.	JH PMT 24786
Manufacturer	Hitachi Industrial Equipment (M) Sdn Bhd
Manufacturer No.	TH 23 1692
Name of Machinery	Air Receiver Tank
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 217621	6 September 2023/ 6 September 2023 to 12 November 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 25364</td> </tr> <tr> <td>Manufacturer</td> <td>Awan Timur Kluang Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>ATK/VS/3200 /2014/067</td> </tr> <tr> <td>Name of Machinery</td> <td>Pro Auto Sterilizer</td> </tr> <tr> <td>Location</td> <td>Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor</td> </tr> </table>	Registration No.	JH PMT 25364	Manufacturer	Awan Timur Kluang Sdn Bhd	Manufacturer No.	ATK/VS/3200 /2014/067	Name of Machinery	Pro Auto Sterilizer	Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor				
Registration No.	JH PMT 25364																
Manufacturer	Awan Timur Kluang Sdn Bhd																
Manufacturer No.	ATK/VS/3200 /2014/067																
Name of Machinery	Pro Auto Sterilizer																
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 217622	6 September 2023/ 6 September 2023 to 12 November 2024	Nil	N/A
			Registration No.	JH PMT 25365			
			Manufacturer	Awan Timur Kluang Sdn Bhd			
			Manufacturer No.	ATK/VS/3200 /2014/068			
			Name of Machinery	Pro Auto Sterilizer			
			Location	Pasir Panjang POM, KB 537, POM, Mukim Kembau, 81909 Kota Tinggi, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 217623	6 September 2023/ 6 September 2023 to 12 November 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 25366</td> </tr> <tr> <td>Manufacturer</td> <td>Awan Timur Kluang Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>ATK/VS/3200 /2014/069</td> </tr> <tr> <td>Name of Machinery</td> <td>Pro Auto Sterilizer</td> </tr> <tr> <td>Location</td> <td>Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor</td> </tr> </table>	Registration No.	JH PMT 25366	Manufacturer	Awan Timur Kluang Sdn Bhd	Manufacturer No.	ATK/VS/3200 /2014/069	Name of Machinery	Pro Auto Sterilizer	Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor				
Registration No.	JH PMT 25366																
Manufacturer	Awan Timur Kluang Sdn Bhd																
Manufacturer No.	ATK/VS/3200 /2014/069																
Name of Machinery	Pro Auto Sterilizer																
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 217624	6 September 2023/ 6 September 2023 to 12 November 2024	Nil	N/A
			Registration No.	JH PMT 25368			
			Manufacturer	Hitachi Industrial Equipment (M) Sdn Bhd			
			Manufacturer No.	TH 09 3575			
			Name of Machinery	90 Litre Horizontal Air Receiver Tank			
			Location	Pasir Panjang POM, KB 537, POM, Mukim Kembau, 81909 Kota Tinggi, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 217625

6 September 2023/
6 September 2023
to 12 November
2024

Nil

N/A

Registration No.	JH PMT 25373
Manufacturer	Xiamen East Asia Machinery
Manufacturer No.	L0626078
Name of Machinery	Horizontal Air Receiver Tank
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 217628	6 September 2023/ 6 September 2023 to 12 November 2024	Nil	N/A
			Registration No.	PMT 78982			
			Manufacturer	Cidar Engineering Sdn Bhd			
			Manufacturer No.	CE/S/294/94			
			Name of Machinery	Back Pressure Steam Receiver			
			Location	Pasir Panjang POM, KB 537, POM, Mukim Kembau, 81909 Kota Tinggi, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to Pasir Panjang POM under the FMA for boiler bearing the following details:

Certificate No.:
PMD-JH/23 206131

10 May 2023/
10 May 2023 to
7 August 2024

Nil

N/A

Registration No.	JH PMD 80248
Manufacturer	Mackenzie Industries Sdn Bhd
Manufacturer No.	2160206
Name of Machinery	Bi-Drum Water Tube Boiler
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 206120	10 May 2023/ 10 May 2023 to 7 August 2024	Nil	N/A
			Registration No.	JH PMT 80950			
			Manufacturer	HQ2618 - Hitachi Industrial Equipment (M) Sdn Bhd			
			Manufacturer No.	TH 09 3584			
			Name of Machinery	90 Litre Horizontal Air Receiver Tank			
			Location	Pasir Panjang POM, KB 537, POM, Mukim Kembau, 81909 Kota Tinggi, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 206121	10 May 2023/ 10 May 2023 to 7 August 2024	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 80951</td> </tr> <tr> <td>Manufacturer</td> <td>HQ2926 - Hitachi Industrial Equipment Systems Co Ltd</td> </tr> <tr> <td>Manufacturer No.</td> <td>TH 23 2619</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Receiver</td> </tr> <tr> <td>Location</td> <td>Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor</td> </tr> </table>	Registration No.	JH PMT 80951	Manufacturer	HQ2926 - Hitachi Industrial Equipment Systems Co Ltd	Manufacturer No.	TH 23 2619	Name of Machinery	Air Receiver	Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor				
Registration No.	JH PMT 80951																
Manufacturer	HQ2926 - Hitachi Industrial Equipment Systems Co Ltd																
Manufacturer No.	TH 23 2619																
Name of Machinery	Air Receiver																
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor																

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 206123

10 May 2023/
10 May 2023 to
7 August 2024

Nil

N/A

Registration No.	JH PMT 82931
Manufacturer	Profina Teknik Sdn Bhd
Manufacturer No.	PTSB/TSS/3 0T/18-005
Name of Machinery	Telescoping Shell Sterilizer
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 217626

6 September 2023/
6 September 2023
to 12 November
2024

Nil

N/A

Registration No.	JH PMT 83951
Manufacturer	Merge Jati Engineering Sdn Bhd
Manufacturer No.	MJE/UFPV/T D1830/587/19
Name of Machinery	Thermal Deaerator
Location	Pasir Panjang POM, KB 537, POM, Mukim Kempau, 81909 Kota Tinggi, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Pasir Panjang POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 217627	6 September 2023/ 6 September 2023 to 12 November 2024	Nil	N/A
			Registration No.	JH PMT 83952			
			Manufacturer	Merge Jati Engineering Sdn Bhd			
			Manufacturer No.	MJE/UFPV/B PR1524/581/ 19			
			Name of Machinery	Back Pressure Receiver			
			Location	Pasir Panjang POM, KB 537, POM, Mukim Kembau, 81909 Kota Tinggi, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
15.	Sedenak POM	DOSH	Certificate of fitness issued to Sedenak POM under the FMA for boiler bearing the following details:	Certificate No.: PMD-JH/23 202952	30 March 2023/ 30 March 2023 to 29 September 2024	Nil	N/A

Registration No.	JH PMD 80894
Manufacturer	Mackenzie Industries Sdn Bhd
Manufacturer No.	2180250
Name of Machinery	Bi-Drum Water Tube Boiler
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

<u>No.</u>	<u>Licence/ Certificate/ Permit holder</u>	<u>Issuing authority</u>	<u>Description of licence/certification/permit</u>	<u>Licence/ Certificate/ Permit no.</u>	<u>Issuance date/ Validity period</u>	<u>Major conditions imposed</u>	<u>Status of compliance</u>										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202939	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 10176</td> </tr> <tr> <td>Manufacturer</td> <td>Puma Ind. Co. Ltd, Taiwan</td> </tr> <tr> <td>Manufacturer No.</td> <td>XD9070272N</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Receiver</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 10176	Manufacturer	Puma Ind. Co. Ltd, Taiwan	Manufacturer No.	XD9070272N	Name of Machinery	Air Receiver	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 10176																
Manufacturer	Puma Ind. Co. Ltd, Taiwan																
Manufacturer No.	XD9070272N																
Name of Machinery	Air Receiver																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 223684	31 October 2023/ 31 October 2023 to 7 January 2025	Nil	N/A
			Registration No.	JH PMT 10177			
			Manufacturer	7 - Vestech Engineering Sdn Bhd			
			Manufacturer No.	VE/IJ/370/04			
			Name of Machinery	Air Receiver			
			Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202942	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 11668</td> </tr> <tr> <td>Manufacturer</td> <td>Pressure Vessel Plant of Nanjing No. 2 Compressor</td> </tr> <tr> <td>Manufacturer No.</td> <td>07556</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Receiver Tank</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 11668	Manufacturer	Pressure Vessel Plant of Nanjing No. 2 Compressor	Manufacturer No.	07556	Name of Machinery	Air Receiver Tank	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 11668																
Manufacturer	Pressure Vessel Plant of Nanjing No. 2 Compressor																
Manufacturer No.	07556																
Name of Machinery	Air Receiver Tank																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
					<p>Note: * Sedenak POM has submitted an application to KPDN for the renewal of the certificate of fitness on 22 February 2024, and is currently pending KPDN to process the application.</p>												

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202943	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 26172</td> </tr> <tr> <td>Manufacturer</td> <td>Longhai Power Industrial Co. Ltd. P.R. China</td> </tr> <tr> <td>Manufacturer No.</td> <td>YX 3070184</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Receiver</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 26172	Manufacturer	Longhai Power Industrial Co. Ltd. P.R. China	Manufacturer No.	YX 3070184	Name of Machinery	Air Receiver	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 26172																
Manufacturer	Longhai Power Industrial Co. Ltd. P.R. China																
Manufacturer No.	YX 3070184																
Name of Machinery	Air Receiver																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 223686	31 October 2023/ 31 October 2023 to 7 January 2025	Nil	N/A
			Registration No.	JH PMT 4026			
			Manufacturer	Kejuruteraan Wang Yuen Sdn Bhd			
			Manufacturer No.	KWY/UFPV/ SPR/026/04			
			Name of Machinery	Steam Pressure Receiver			
			Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202944	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 88144</td> </tr> <tr> <td>Manufacturer</td> <td>Hitachi Industrial Equipment (Malaysia) Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>TH09 4995</td> </tr> <tr> <td>Name of Machinery</td> <td>Air Receiver Tank</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 88144	Manufacturer	Hitachi Industrial Equipment (Malaysia) Sdn Bhd	Manufacturer No.	TH09 4995	Name of Machinery	Air Receiver Tank	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 88144																
Manufacturer	Hitachi Industrial Equipment (Malaysia) Sdn Bhd																
Manufacturer No.	TH09 4995																
Name of Machinery	Air Receiver Tank																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
					<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>												

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202951	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 88145</td> </tr> <tr> <td>Manufacturer</td> <td>Hitachi Industrial Equipment (M) Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>TH 23 3352</td> </tr> <tr> <td>Name of Machinery</td> <td>Horizontal Air Receiver Tank</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 88145	Manufacturer	Hitachi Industrial Equipment (M) Sdn Bhd	Manufacturer No.	TH 23 3352	Name of Machinery	Horizontal Air Receiver Tank	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 88145																
Manufacturer	Hitachi Industrial Equipment (M) Sdn Bhd																
Manufacturer No.	TH 23 3352																
Name of Machinery	Horizontal Air Receiver Tank																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
					<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>												

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

<u>No.</u>	<u>Licence/ Certificate/ Permit holder</u>	<u>Issuing authority</u>	<u>Description of licence/certification/permit</u>	<u>Licence/ Certificate/ Permit no.</u>	<u>Issuance date/ Validity period</u>	<u>Major conditions imposed</u>	<u>Status of compliance</u>										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202940	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 88146</td> </tr> <tr> <td>Manufacturer</td> <td>Watermech Engineering Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>WM/4427/19</td> </tr> <tr> <td>Name of Machinery</td> <td>Deaerator Header</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 88146	Manufacturer	Watermech Engineering Sdn Bhd	Manufacturer No.	WM/4427/19	Name of Machinery	Deaerator Header	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 88146																
Manufacturer	Watermech Engineering Sdn Bhd																
Manufacturer No.	WM/4427/19																
Name of Machinery	Deaerator Header																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
					<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>												

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202941	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 88147</td> </tr> <tr> <td>Manufacturer</td> <td>Watermech Engineering Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>WM/4438/19</td> </tr> <tr> <td>Name of Machinery</td> <td>Deaerator Storage Tank</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 88147	Manufacturer	Watermech Engineering Sdn Bhd	Manufacturer No.	WM/4438/19	Name of Machinery	Deaerator Storage Tank	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 88147																
Manufacturer	Watermech Engineering Sdn Bhd																
Manufacturer No.	WM/4438/19																
Name of Machinery	Deaerator Storage Tank																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202945	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 90797</td> </tr> <tr> <td>Manufacturer</td> <td>Profina Teknik Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>Telescoping Shell Sterilizer</td> </tr> <tr> <td>Name of Machinery</td> <td>PTSB/TSS/ 30T/21-001</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 90797	Manufacturer	Profina Teknik Sdn Bhd	Manufacturer No.	Telescoping Shell Sterilizer	Name of Machinery	PTSB/TSS/ 30T/21-001	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 90797																
Manufacturer	Profina Teknik Sdn Bhd																
Manufacturer No.	Telescoping Shell Sterilizer																
Name of Machinery	PTSB/TSS/ 30T/21-001																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202946	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 90798</td> </tr> <tr> <td>Manufacturer</td> <td>Profina Teknik Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>PTSB/TSS/30T/21-002</td> </tr> <tr> <td>Name of Machinery</td> <td>Telescoping Shell Sterilizer</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 90798	Manufacturer	Profina Teknik Sdn Bhd	Manufacturer No.	PTSB/TSS/30T/21-002	Name of Machinery	Telescoping Shell Sterilizer	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 90798																
Manufacturer	Profina Teknik Sdn Bhd																
Manufacturer No.	PTSB/TSS/30T/21-002																
Name of Machinery	Telescoping Shell Sterilizer																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202947	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 90799</td> </tr> <tr> <td>Manufacturer</td> <td>Profina Teknik Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>PTSB/TSS/ 30T/21-003</td> </tr> <tr> <td>Name of Machinery</td> <td>Telescoping Shell Sterilizer</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 90799	Manufacturer	Profina Teknik Sdn Bhd	Manufacturer No.	PTSB/TSS/ 30T/21-003	Name of Machinery	Telescoping Shell Sterilizer	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 90799																
Manufacturer	Profina Teknik Sdn Bhd																
Manufacturer No.	PTSB/TSS/ 30T/21-003																
Name of Machinery	Telescoping Shell Sterilizer																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202948	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 90800</td> </tr> <tr> <td>Manufacturer</td> <td>Profina Teknik Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>PTSB/TSS/ 30T/21-004</td> </tr> <tr> <td>Name of Machinery</td> <td>Telescoping Shell Sterilizer</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 90800	Manufacturer	Profina Teknik Sdn Bhd	Manufacturer No.	PTSB/TSS/ 30T/21-004	Name of Machinery	Telescoping Shell Sterilizer	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 90800																
Manufacturer	Profina Teknik Sdn Bhd																
Manufacturer No.	PTSB/TSS/ 30T/21-004																
Name of Machinery	Telescoping Shell Sterilizer																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

<u>No.</u>	<u>Licence/ Certificate/ Permit holder</u>	<u>Issuing authority</u>	<u>Description of licence/certification/permit</u>	<u>Licence/ Certificate/ Permit no.</u>	<u>Issuance date/ Validity period</u>	<u>Major conditions imposed</u>	<u>Status of compliance</u>										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202949	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 90801</td> </tr> <tr> <td>Manufacturer</td> <td>Profina Teknik Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>PTSB/TSS/ 30T/21-005</td> </tr> <tr> <td>Name of Machinery</td> <td>Telescoping Shell Sterilizer</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 90801	Manufacturer	Profina Teknik Sdn Bhd	Manufacturer No.	PTSB/TSS/ 30T/21-005	Name of Machinery	Telescoping Shell Sterilizer	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 90801																
Manufacturer	Profina Teknik Sdn Bhd																
Manufacturer No.	PTSB/TSS/ 30T/21-005																
Name of Machinery	Telescoping Shell Sterilizer																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance										
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 202950	30 March 2023/ 30 March 2023 to 29 June 2024*	Nil	N/A										
			<table border="1"> <tr> <td>Registration No.</td> <td>JH PMT 90802</td> </tr> <tr> <td>Manufacturer</td> <td>Profina Teknik Sdn Bhd</td> </tr> <tr> <td>Manufacturer No.</td> <td>PTSB/TSS/ 30T/21-006</td> </tr> <tr> <td>Name of Machinery</td> <td>Telescoping Shell Sterilizer</td> </tr> <tr> <td>Location</td> <td>Sedenak POM, KB 721, 80990 Johor Bahru, Johor</td> </tr> </table>	Registration No.	JH PMT 90802	Manufacturer	Profina Teknik Sdn Bhd	Manufacturer No.	PTSB/TSS/ 30T/21-006	Name of Machinery	Telescoping Shell Sterilizer	Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor				
Registration No.	JH PMT 90802																
Manufacturer	Profina Teknik Sdn Bhd																
Manufacturer No.	PTSB/TSS/ 30T/21-006																
Name of Machinery	Telescoping Shell Sterilizer																
Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor																
						<p>Note: * Sedenak POM has submitted an application to DOSH for the renewal of the certificate of fitness on 5 June 2024, and is currently pending DOSH to process the application.</p>											

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Certificate of fitness issued to Sedenak POM under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 223687	31 October 2023/ 31 October 2023 to 7 January 2025	Nil	N/A
			Registration No.	PMT 23965			
			Manufacturer	26 – Syarikat Hip Hing Sdn Bhd			
			Manufacturer No.	80/40HT/HH-HQ/HT/1187/80			
			Name of Machinery	Back Pressure Receiver			
			Location	Sedenak POM, KB 721, 80990 Johor Bahru, Johor			

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
16.	JPG Greenergy Ventures	DOSH	Certificate of fitness issued to JPG Greenergy Ventures under the FMA for unfired pressure vessel bearing the following details:	Certificate No.: PMT-JH/23 213112	17 July 2023/ 17 July 2023 to 12 October 2024	Nil	N/A

Registration No.	JH PMT 95407
Manufacturer	Yuen Fee (Wan Soon) Engineering Sdn Bhd
Manufacturer No.	YF/21/1013
Name of Machinery	AR/Vacuum/ N2 Tank 310L X-1/10.34 Bar OD605 X 762SL
Location	Sedenak Estate

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to JPG Greenergy Ventures under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 213113

17 July 2023/
17 July 2023 to
12 October 2024

Nil

N/A

Registration No.	JH PMT 95408
Manufacturer	Yuen Fee (Wan Soon) Engineering Sdn Bhd
Manufacturer No.	YF/21/1014
Name of Machinery	AR/Vacuum/ N2 Tank 310L X-1/10.34 Bar OD605 X 762SL
Location	Sedenak Estate

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to JPG Greenergy Ventures under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 213114

17 July 2023/
17 July 2023 to
12 October 2024

Nil

N/A

Registration No.	JH PMT 95409
Manufacturer	Xiamen East Asia Machinery Industrial Co Ltd
Manufacturer No.	EP00001017 01
Name of Machinery	Air Tank (Horizontal) - Control Room Mixing System
Location	Sedenak Estate

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to JPG Greenergy Ventures under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 213116

17 July 2023/
17 July 2023 to
12 October 2024

Nil

N/A

Registration No.	JH PMT 95410
Manufacturer	Xiamen East Asia Machinery Industrial Co Ltd
Manufacturer No.	EP00001413 59
Name of Machinery	Air Tank (Horizontal) - Control Room Pond B
Location	Sedenak Estate

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to JPG Greenergy Ventures under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 213117

17 July 2023/
17 July 2023 to
12 October 2024

Nil

N/A

Registration No.	JH PMT 95411
Manufacturer	Xiamen East Asia Machinery Industrial Co Ltd
Manufacturer No.	EP00001413 61
Name of Machinery	Air Tank (Horizontal) - Control Room Pond A
Location	Sedenak Estate

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
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Certificate of fitness issued to JPG Greenergy Ventures under the FMA for unfired pressure vessel bearing the following details:

Certificate No.:
PMT-JH/23 213118

17 July 2023/
17 July 2023 to
12 October 2024

Nil

N/A

Registration No.	JH PMT 95412
Manufacturer	Xiamen East Asia Machinery Industrial Co Ltd
Manufacturer No.	EP00001413 62
Name of Machinery	Air Tank (Horizontal) - Sludge System
Location	Sedenak Estate

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
<u>Permits</u>							
17.	JPG	Ministry of Domestic Trade and Cost of Living Malaysia ("KPDN")	Permit to purchase and store 10,000 litres of diesel fuel (Euro 2M) at REM Estate located at Lot 11675, K.B. 501, 81900, Kota Tinggi, Johor, Malaysia	(a) Permit No.: PBKB/2023/B/J-000407 (REM Estate)	20 June 2023/ 20 June 2023 to 19 June 2024*	(i) This permit cannot be transferred. (ii) Application to renew the permit must be submitted to the Controller of Supplies 30 days before the expiry of the permit.	Noted
					Note: * <i>JPG has submitted an application to KPDN for the renewal of the permit on 22 February 2024, and is currently pending KPDN to process the application.</i>		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Permit to purchase and store 9,000 litres of diesel fuel (Euro 2M) at REM Estate (Pasak Div) located at Lot 4399, K.B. 501, 81900, Kota Tinggi, Johor, Malaysia	(b) Permit No.: PBKB/2023/B/J-000408 (REM Estate - Div Pasak)	20 June 2023/ 20 June 2023 to 19 June 2024*		
			Permit to purchase and store 13,000 litres of diesel fuel (Euro 2M) at Selai Estate located at K.B. 529, 86000, Paloh Kluang, Johor, Malaysia	(c) Permit No.: PBKB/2023/B/J-000171 (Selai Estate)	7 February 2023/ 7 February 2023 to 6 February 2025		
			Permit to purchase and store 10,000 litres of diesel fuel (Euro 2M) at Sindora Estate located at K.B. 539, 86009, Kluang, Johor, Malaysia	(d) Permit No.: PBKB/2023/B/J-000172 (Sindora Estate)	7 February 2023/ 7 February 2023 to 6 February 2025		

Note:
* *JPG has submitted an application to KPDN for the renewal of the permit on 22 February 2024, and is currently pending KPDN to process the application.*

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Permit to purchase and store 10,000 litres of diesel fuel (Euro 2M) at Mutiara Estate located at Lot 3223, PO Box 24 Kahang, 86700, Kluang, Johor, Malaysia	(e) Permit No.: PBKB/2023/B/J-000170 (Mutiara Estate)	7 February 2023/ 7 February 2023 to 6 February 2025		
			Permit to purchase and store 18,000 litres of diesel fuel at Labis Bahru Estate located at K.B. 517, 85009, Segamat, Johor, Malaysia	(f) Serial No.: J006185 (Labis Bahru Estate)	1 December 2022/ 1 December 2022 to 30 November 2025		
			Permit to purchase and store 10,000 litres of diesel fuel at Sepang Loi Estate located at K.B. 520, 85009, Segamat, Johor, Malaysia	(g) Serial No.: J006186 (Sepang Loi Estate)	1 December 2022/ 1 December 2022 to 30 November 2025		
			Permit to purchase and store 14,000 litres of diesel fuel at Ulu Tiram Estate located at K.B. No. 710, 80990, Johor Bahru, Johor, Malaysia	(h) Permit No.: PBKB/2023/B/J-000423 (Ulu Tiram Estate (merged administratively into REM Estate))	6 July 2023/ 6 July 2023 to 5 July 2025		
			Permit to purchase and store 8,000 litres of diesel fuel and 400 litres of RON 95 petrol at Kuala Kabong Estate located at K.B. 125, 81200, Kulai, Johor, Malaysia	(i) Permit No.: PBKB/2023/B/J-000405 (Kuala Kabong Estate)	26 December 2022/ 26 December 2022 to 18 October 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Permit to purchase and store 14,000 litres of diesel fuel at Palong Cocoa POM located at K.B. 104, 85009, Segamat, Johor, Malaysia	(j) Serial No.: J006057 (Palong Cocoa POM)	18 August 2021/ 18 August 2021 to 17 August 2024		
			Permit to purchase and store 13,000 litres of diesel fuel at Sindora POM located at K.B. 501, 86009, Kluang, Johor, Malaysia	(k) Permit No.: PBKB/2023/ B/J-000169 (KB501)	7 February 2023/ 7 February 2023 to 6 February 2025		
			Permit to purchase and store 20,000 litres of diesel fuel (Euro 5) at Pasir Panjang POM located at PTD 558, Mukim Kambau, Batu 18½, Jalan Kota Tinggi - Mersing, 81909, Batu 18½, Kota Tinggi, Johor, Malaysia	(l) Permit No.: PBKB/2023/ B/J-000406 (Pasir Panjang POM)	20 June 2023/ 20 June 2023 to 19 June 2024*	Note: * <i>JPG has submitted an application to KPDN for the renewal of the permit on 15 May 2024, and is currently pending KPDN to process the application.</i>	

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Permit to purchase 100 litres of RON 95 petrol per day from AZ Kota Tinggi Petrol Station located at Lot 230, No. 5A, Jalan Johor-Kota Tinggi, 81900, Kota Tinggi, Johor, Malaysia	(m) Serial No.: PK/2024/ B/J-000175	14 March 2024/ 14 March 2024 to 13 March 2025		
			Permit to purchase 100 litres of RON 95 petrol per day from AZ Kota Tinggi Petrol Station located at Lot 230, No. 5A, Jalan Johor-Kota Tinggi, 81900, Kota Tinggi, Johor, Malaysia	(n) Serial No.: PK/2024/ B/J-000176	14 March 2024/ 14 March 2024 to 13 March 2025		
			Permit to purchase 100 litres of RON 95 petrol from Banang Services Station Sdn Bhd located at No. 1-1, Jalan Nagasari, Bandar Seagamat Baru, 85020 Segamat, Johor, Malaysia	(o) Serial No.: PK/2023/ B/J-000307 (Labis Bahru Estate)	12 July 2023/ 12 July 2023 to 11 July 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Permit to purchase and store 19,100 litres of diesel fuel (Euro 2M) at Sedenak POM located at K.B. 721, 80990, Johor Bahru, Johor, Malaysia	(p) Permit No.: PBKB/2024/B/J-000035 (Sedenak POM)	16 January 2024 / 16 January 2024 to 15 January 2026	(i) This permit cannot be transferred. (ii) Application to renew the permit must be submitted to the Controller of Supplies 30 days before the expiry of the permit.	Noted
			Permit to purchase and store 15,000 litres of diesel fuel and 600 litres of petrol at UMAC Estate located at Block B, Keratong, 26900 Bandar Tun Razak, Pahang, Malaysia	(q) Serial No.: C002886 (UMAC Estate)	18 February 2022/ 18 February 2022 to 17 February 2025	(i) This permit cannot be transferred. (ii) Application to renew the permit must be submitted to the Controller of Supplies 30 days before the expiry of the permit.	Noted

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
18.	JPG Plantations	KPDN	Permit to purchase and store 11,000 litres of diesel fuel at Tereh POM located at K.B. 538, 86009, Kluang, Johor, Malaysia	Permit No.: PBKB/2023/ P/J-000293 (Tereh POM)	15 October 2023/ 15 October 2023 to 14 October 2025	(i) This permit cannot be transferred. (ii) Application to renew the permit must be submitted to the Controller of Supplies 30 days before the expiry of the permit.	Noted

Licences

19.	JPG	Badan Kawalselia Air Negeri Johor (“BAKAJ”)	Licence to allow abstraction of up to 486m ³ water per day for supply of water to estate workers at Bukit Kelompok Estate (Div A) of PTD 401, Mukim Kambau, Daerah Kota Tinggi	(a) Licence No.: 07/A/KT/013 (Bukit Kelompok Estate - Div A)	1 January 2024/ 1 January 2024 to 31 December 2024	The licence must be renewed yearly and has to be renewed in December every year while the licence is still in effect.	Noted
			Licence to allow abstraction of up to 405m ³ water per day for supply of water to estate workers at Bukit Kelompok Estate (Div B) of PTD 401, Mukim Kambau, Daerah Kota Tinggi	(b) Licence No.: 07/A/KT/014 (Bukit Kelompok Estate - Div B)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 20m ³ water per day for supply of water to estate workers at Bukit Layang Estate of Lot 713, Mukim Sungai Tiram, Daerah Kota Tinggi.	(c) Licence No.: 07/A/KT/026 (Bukit Layang Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 110m ³ water per day for supply of water to estate workers at Palong Estate (Div. Kemedak) of HSD 52399, Mukim Buloh Kasap, Daerah Segamat	(d) Licence No.: 07/A/Sgt/023 (Palong Estate - Div Kemedak)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 163m ³ water per day for supply of water to estate workers at Mungka Estate of HSD 52399, Mukim Buloh Kasap, Daerah Segamat	(e) Licence No.: 07/A/Sgt/001 (Mungka Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 60m ³ water per day for supply of water to estate workers at Mutiara Estate (Div. Utama) of HSD 16399, Mukim Kahang, Daerah Kluang	(f) Licence No.: 07/A/Klg/053 (Mutiara Estate - Div Utama)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 30m ³ water per day for supply of water to estate workers at Mutiara Estate (Div. Selatan) of HSD 37261, Mukim Kahang, Daerah Kluang	(g) Licence No.: 07/A/Klg/052 (Mutiara Estate - Div Selatan)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 40m ³ water per day for supply of water to estate workers at Mutiara Estate (Div. Sungai Sembrong Utara) of HSD 47658, Mukim Kahang, Daerah Kluang	(h) Licence No.: 07/A/Klg/051 (Mutiara Estate - Div Sungai Sembrong Utara)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 40m ³ water per day for supply of water to estate workers at Mutiara Estate (Div. Sungai Sembrong Utama) of HSD 47658, Mukim Kahang, Daerah Kluang	(i) Licence No.: 07/A/Klg/050 (Mutiara Estate - Div Sungai Sembrong Utama)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 330m ³ water per day for supply of water to estate workers at Pasir Logok Estate of HSD 32182, 32183, 32184, Mukim Kambau, Daerah Kota Tinggi	(j) Licence No.: 07/A/KT/009 (Pasir Logok Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 800m ³ water per day for supply of water to estate workers at Pasir Panjang Estate of HSD 35107, Mukim Kambau, Daerah Kota Tinggi	(k) Licence No.: 07/A/KT/012 (Pasir Panjang Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 102m ³ water per day for supply of water to estate workers at Pasir Panjang Estate (Div Bukit Payung) of HSD 14966, Mukim Sedili Besar, Daerah Kota Tinggi	(l) Licence No.: 07/A/KT/018 (Pasir Panjang Estate - Div Bukit Payung)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 100m ³ water per day for supply of water to estate workers at Selai Estate of HSD 8848, Mukim Kahang, Daerah Kluang	(m) Licence No.: 07/A/Klg/020 (Selai Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 100m ³ water per day for supply of water to estate workers at Selai Estate (Div. Enggang) of HSD 8848, Mukim Kahang, Daerah Kluang	(n) Licence No.: 07/A/Klg/021 (Selai Estate - Div Enggang)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 68m ³ water per day for supply of water to estate workers at Sepang Loi Estate of HSD 45514, Mukim Sermin, Daerah Segamat	(o) Licence No.: 07/A/Sgt/024 (Sepang Loi Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 1,160m ³ water per day for supply of water to estate workers at Siang Estate (Div Siang) of HSD 33258, Mukim Pantai Timur, Daerah Kota Tinggi	(p) Licence No.: 07/A/KT/016 (Siang Estate - Div Siang)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 430m ³ water per day for supply of water to estate workers at Siang Estate (Div Balau) of HSD 33258, Mukim Pantai Timur, Daerah Kota Tinggi	(q) Licence No.: 07/A/KT/019 (Siang Estate - Div Balau)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 80m ³ water per day for supply of water to estate workers at Sungai Tawing Estate of HSD 6060, Mukim Paloh, Daerah Kluang	(r) Licence No.: 07/A/Klg/043 (Sungai Tawing Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 66m ³ water per day for supply of water to estate workers at Tunjuk Laut Estate (Div 1) of HSD 7747, Mukim Kambau, Daerah Kota Tinggi	(s) Licence No.: 07/A/KT/017 (Tunjuk Laut Estate - Div 1)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 45m ³ water per day for supply of water to estate workers at Tunjuk Laut Estate (Div 2) of HSD 7747, Mukim Kambau, Daerah Kota Tinggi	(t) Licence No.: 07/A/KT/015 (Tunjuk Laut Estate - Div 2)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 250m ³ water per day for supply of water to workers at Palong Cocoa POM of PTD 15679, HSD 52399, Mukim Buloh Kasap, Daerah Segamat	(u) Licence No.: 07/A/Sgt/116 (Palong Cocoa POM)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 300m ³ water per day for supply of water to workers at Pasir Panjang POM of PTD 558, HSD 35107, Mukim Kambau, Daerah Kota Tinggi	(v) Licence No.: 07/A/KT/117 (Pasir Panjang POM)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 700m ³ water per day for supply of water to workers at Sedenak POM of Lot 817, GRN 354796, Mukim Sedenak, Daerah Kulai	(w) Licence No.: 07/A/KJ/118 (Sedenak POM)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 150m ³ water per day for agricultural use at Sindora Estate of HSD 17660, PTD 4435, Mukim Renggam, Daerah Kluang	(x) Licence No.: 06/A/Klg/105 (Sindora Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 150m ³ water per day for agricultural use at Sungai Papan Estate of Lot 356, HSD 13179, Mukim Tanjung Surat, Daerah Kota Tinggi	(y) Licence No.: 06/A/KT/027 (Sungai Papan Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 100m ³ water per day for agricultural use at Pasir Panjang Estate (Div. Bukit Payung) of MLO 117, HSD 14966, Mukim Kambau, Daerah Kota Tinggi	(z) Licence No.: 06/A/KT/093 (Pasir Panjang Estate - Div Bukit Payung)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 23m ³ water per day for agricultural use (nursery) at Mungka Estate of PTD 15679, HSD 52399, Mukim Buluh Kasap, Daerah Segamat	(aa) Licence No.: 06/A/Sgt/074 (Mungka Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 10m ³ water per day for agricultural use at Mutiara Estate of HSD 16398, HSD 16400 & HSD 16401, PTD 1615, PTD 1618 & PTD 1619, Mukim Kahang, Daerah Kluang	(bb) Licence No.: 06/A/Klg/118 (Mutiara Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 150m ³ water per day for agricultural / farming use at REM Estate of Lot 11675, Mukim Kota Tinggi, Daerah Kota Tinggi	(cc) Licence No.: 06/A/KT/015 (REM Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 2,000m ³ water per day for industrial use at Sedenak POM of Lot 817, Geran 94955, Mukim Sedenak, Daerah Kulaijaya	(dd) Licence No.: 08/A/KJ/051 (Sedenak POM)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 930m ³ water per day for industrial use at Sindora POM of HSD 17660, Mukim Renggam, Daerah Kluang	(ee) Licence No.: 08/A/Klg/041 (Sindora POM)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 900m ³ water per day for industrial use at Pasir Panjang POM of HSD 35107, Mukim Kambau, Daerah Kota Tinggi	(ff) Licence No.: 08/A/KT/050 (Pasir Panjang POM)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 1,013m ³ water per day for industrial use at Palong Cocoa POM of HSD 52399, Mukim Buloh Kasap, Daerah Segamat	(gg) Licence No.: 08/A/Sgt/011 (Palong Cocoa POM)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 100m ³ water per day for industrial use at JPAC Tissue Culture Lab of Lot 31841, PN 73314, Mukim Kota Tinggi, Daerah Kota Tinggi	(hh) Licence No.: 08/B/KT/103 (JPAC Tissue Culture Lab)	1 January 2024/ 1 January 2024 to 31 December 2024		
20.	JPG Plantations	BAKAJ	Licence to allow abstraction of up to 100m ³ water per day for supply of water to estate workers at Tereh Selatan Estate of HSD 6766, Mukim Niyor, Daerah Kluang	(a) Licence No.: 07/A/Klg/049 (Tereh Selatan Estate)	1 January 2024/ 1 January 2024 to 31 December 2024	The licence must be renewed yearly and has to be renewed in December every year while the licence is still in effect.	Noted

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to allow abstraction of up to 220m ³ water per day for supply of water to estate workers at Tereh Utara Estate of HSD 5655, Mukim Paloh, Daerah Kluang	(b) Licence No.: 07/A/Klg/022 (Tereh Utara Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 350m ³ water per day for supply of water at Tereh POM of HSD 3326, PTD 6766, Mukim Niyor, Daerah Kluang	(c) Licence No.: 07/A/Klg/115 (Tereh POM)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 116m ³ water per day for agricultural use at Tereh Utara Estate of HSD 5655, PTD 3504, Mukim Paloh, Daerah Kluang	(d) Licence No.: 06/A/Klg/165 (Tereh Utara Estate)	1 January 2024/ 1 January 2024 to 31 December 2024		
			Licence to allow abstraction of up to 1,440m ³ water per day for industrial use at Tereh POM of HSD 6766, Mukim Niyor, Daerah Kluang	(e) Licence No.: 08/A/Klg/040 (Tereh POM)	1 January 2024/ 1 January 2024 to 31 December 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
21.	JPG	Department of Environment Johor ("DOE")	Licence to occupy or use Palong Cocoa POM at KB 504, 85009, Segamat, Johor as required under Section 18(1) of the EQA	(a) Licence No.: 004720 (Palong Cocoa POM)	21 June 2023/ 1 July 2023 to 30 June 2024*	(i) The holder of a licence who desires to obtain a renewal of the licence shall, at any time being not less than 3 months nor more than 4 months before the date of expiration of the licence or of the subsisting renewal thereof, as the case may be, apply for a renewal of the licence pursuant to Section 13(2) of the EQA.	Noted
			Licence to occupy or use Pasir Panjang POM at PTD 558, Mukim Kambau, Batu 18½, Jalan Kota Tinggi - Mersing, 81909 Kota Tinggi, Johor as required under Section 18(1) of the EQA	(b) Licence No.: 004649 (Pasir Panjang POM)	21 June 2023/ 1 July 2023 to 30 June 2024*	(ii) Any changes to the factory layout, factory capacity or effluent treatment system without the written approval of the DOE is not allowed.	

Note:
* *JPG has submitted an application to DOE for the renewal of the licence on 26 March 2024, and is currently pending DOE to process the application.*

Note:
* *JPG has submitted an application to DOE for the renewal of the licence on 25 March 2024, and is currently pending DOE to process the application.*

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence to occupy or use Sedenak POM at Sedenak, Kulai, Johor as required under Section 18(1) of the EQA	(c) Licence No.: 004532 (Sedenak POM)	21 June 2023/ 1 July 2023 to 30 June 2024*		
					Note: * <i>JPG has submitted an application to DOE for the renewal of the licence on 27 March 2024, and is currently pending DOE to process the application.</i>		
			Licence to occupy or use Sindora POM at KB 501, 86009, Kluang, Johor as required under Section 18(1) of the EQA	(d) Licence No.: 004718 (Sindora POM)	21 June 2023/ 1 July 2023 to 30 June 2024*		
					Note: * <i>JPG has submitted an application to DOE for the renewal of the licence on 26 March 2024, and is currently pending DOE to process the application.</i>		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
22.	JPG Plantations	DOE	Licence to occupy or use Tereh POM at Mukim Niyor, Kluang, Johor as required under Section 18(1) of the EQA	Licence No.: 004685 (Tereh POM)	21 June 2023/ 1 July 2023 to 30 June 2024*	<p>(i) The holder of a licence who desires to obtain a renewal of the licence shall, at any time being not less than 3 months nor more than 4 months before the date of expiration of the licence or of the subsisting renewal thereof, as the case may be, apply for a renewal of the licence pursuant to Section 13(2) of the EQA.</p> <p>(ii) Any changes to the factory layout, factory capacity or effluent treatment system without the written approval of the DOE is not allowed.</p>	Noted

Note:

* *JPG Plantations has submitted an application to DOE for the renewal of the licence on 27 March 2024, and is currently pending DOE to process the application.*

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
23.	JPG	Simpang Renggam District Council	Temporary business and advertisement licence granted to JPG at Sindora POM, Lot 4435, Mukim Renggam, 86300 Renggam, Johor for: (a) storage warehouse; (b) office; and (c) manufacturing	Account No.: L05685-01	1 February 2024/ 1 February 2024 to 31 July 2024	Before the renewal of the temporary licence, the licensee must renew any approval/permission of the technical departments/ external agencies before the expiry date of the approval/ permission.	Noted
24.	JPG	Segamat Municipal Council	Temporary business licence granted to JPG at PTD 1354 HS(O) 11071 Mukim Buloh Kasap, 85000 Segamat, Johor for: (a) purchasing of FFB; (b) processing of FFB; (c) selling of CPO and PK; (d) storage; and (e) laboratory	Account No.: L0806671	1 July 2024/ 1 July 2024 to 31 December 2024	Nil	N/A

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Temporary business licence granted to JPG at PTD 1354 HS(O) 11071 Mukim Buloh Kasap, 85000 Segamat, Johor for: (a) storing of palm oil residues; (b) canning and bottling of palm oil; (c) workshop; (d) office; (e) POM canteen	Account No.: L0806670	1 July 2024/ 1 July 2024 to 31 December 2024	Nil	N/A
25.	JPG	Kota Tinggi District Council	Temporary business and advertisement licence granted to JPG at PTD 558, Mukim Kambau 18/12 Jalan Kota Tinggi - Mersing 81900 Kota Tinggi, Johor for: (a) POM; (b) warehouse or store; and (c) business office	Account No.: MDKT/L/202200346	1 January 2024/ 1 January 2024 to 31 December 2024	Nil	N/A
			Business licence granted to JPG at PTD 43578, Mukim Kota Tinggi, 81900 Kota Tinggi, Johor for: (a) analysis/research laboratory; (b) breeding and tissue culture laboratory; (c) microbes laboratory; and (d) office	Account No.: MDKT/L/201900130	1 January 2024/ 1 January 2024 to 31 December 2024	Nil	N/A

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
26.	JPG Jenterra	Kota Tinggi District Council	Business and advertisement licence granted to JPG Jenterra at No. 01 & 03, Jalan Kemajuan 2, Perindustrian Jalan Johor, 81900 Kota Tinggi, Johor for: (a) shop for other business; (b) supply of herbicides and fertilisers; (c) installation and supply of 'Mechanical Buffalo' machinery; (d) supply of agricultural machinery, agricultural equipment, spare parts and after sales service; and (e) service agency office	Account No.: 6010142802009	1 January 2024/ 1 January 2024 to 31 December 2024	Nil	N/A
27.	JPG	Kulai Municipal Council	Temporary business and advertisement licence granted to JPG at Lot 136, Mukim Sedenak, 81000, Kulai, Johor for: (a) business office; (b) warehouse or store; and (c) POM.	Account No.: LTB2023000919	1 January 2024/ 1 January 2024 to 31 December 2024	The licensee is required to submit development plan (i.e. engineering plan, planning permission, building plan, landscape plan) within 6 months from the date of the approval letter dated 21 March 2023.	To be complied ⁽¹⁾

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
28.	JPG Plantations	Kluang Municipal Council	Business and advertisement licence granted to JPG Plantations at Tereh Utara POM, Jalan Paloh - Kluang, 86600, Paloh, Johor for: (a) storage of oil; and (b) POM	Account No.: L01AAAA03913907	3 January 2024/ 3 January 2024 to 31 December 2024	The licensee shall obtain prior consent from Kluang Municipal Council for any changes as to the rights, details of the licensee and the licence address.	Noted
29.	JPG	Energy Commission	Licence for private electrical installation for the supply and use of electricity solely to or on the property and premises located at Sindora POM, PTD 4435, Sindora Estate, KB 501, 86009 Kluang, Johor	Licence No.: 2023/02840	24 October 2023/ 24 October 2023 to 23 October 2024	The licence shall not be transferred without the prior written approval of the Minister of Energy, Green Technology and Water.	Noted
30.	JPG	Energy Commission	Licence for private electrical installation for the supply and use of electricity solely to or on the property and premises located at Palong Cocoa POM, 85009 Segamat, Johor	Licence No.: 2023/03661	27 November 2023/ 28 November 2023 to 27 November 2024	The licence shall not be transferred without the prior written approval of the Minister of Energy, Green Technology and Water.	Noted

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
31.	JPG	Energy Commission	Licence for private electrical installation for the supply and use of electricity solely for and on properties and premises at part of Lot 721, Mukim Sedenak, Daerah Johor Bahru, 80990 Johor	Licence No.: LP12/1/9/1822	7 June 2016/ 7 June 2016 to 6 June 2026	The licence shall not be transferred without the prior written approval of the Minister of Energy, Green Technology and Water.	Noted
32.	JPG Plantations	Energy Commission	Licence for private electrical installation for the supply and use of electricity solely to or on the property and premises located at Tereh POM, 86009 Kluang, Johor	Licence No.: 2023/01437	29 May 2023/ 29 May 2023 to 28 May 2024* Note: * <i>JPG Plantations has submitted an application to Energy Commission for the renewal of the licence on 13 May 2024, and is currently pending Energy Commission to process the application.</i>	The licence shall not be transferred without the prior written approval of the Minister of Energy, Green Technology and Water.	Noted

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
33.	Pasir Panjang POM	Energy Commission	Licence for private electrical installation for the supply and use of electricity solely to or on the property and premises located at Pasir Panjang POM, Karung Berkunci 573, 81909 Kota Tinggi, Johor	Licence No.: 2023/01440	6 July 2023/ 6 July 2023 to 5 July 2024	The licence shall not be transferred without the prior written approval of the Minister of Energy, Green Technology and Water.	Noted
34.	JPG	National Water Service Commission ("SPAN")	Class licence to own, provide, or operate the following facilities and services at Palong Cocoa POM, KB 504, 85100 Segamat, Johor:	Class Licence No.: LK/3/23/00482 (Palong Cocoa POM)	1 June 2023/ 1 June 2023 to 31 May 2026	(i) The licensee shall notify SPAN of any change of particulars of the licencee. (ii) If the change of details of the registration notice involves the change of the private water supply system or	Noted

Facilities licence	Private water supply system
Service licence	Water distribution and water treatment

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Sindora POM, KB 501, 86009 Kluang, Johor:	Class Licence No.: LK/3/23/01333 (Sindora POM)	15 December 2022/ 3 January 2023 to 2 January 2026	change in location, a new registration notice together with payment of the prescribed fee must be submitted to SPAN.					
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Sedenak POM, KB 721, 80990 Johor Bahru, Johor:	Class Licence No.: LK/3/23/00484 (Sedenak POM)	16 May 2023/ 16 May 2023 to 15 May 2026	(iii) The application for renewal of the class licence must be submitted no later than 2 months before the expiry of the class licence.					
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment			(iv) The licensee must ensure that the engaged maintenance contractor (if	
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Pasir Panjang POM, KB 527, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/22/01510 (Pasir Panjang POM)	14 July 2022/ 14 July 2022 to 13 July 2025	any) owns a valid IPA permit type D that is approved by SPAN at all times and if the contract period with the maintenance contractor is about to/has been/will be terminated, the extension of the contract or appointment of new maintenance contract must be done 2 months before the expiry of the contract.					
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system			Service licence	Water distribution and water treatment		
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
35.	JPG Plantations	SPAN	Class licence to own, provide, or operate the following facilities or services at Tereh POM, KB 538, 86009 Kluang, Johor:	Class Licence No.: LK/3/23/00494 (Tereh POM)	16 May 2023/ 16 May 2023 to 15 May 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
36.	JPG	SPAN	Class licence to own, provide, or operate the following facilities and services at Palong Estate (Div Kemedak), KB 525, 85009 Segamat, Johor:	Class Licence No.: LK/3/23/00481 (Palong Estate, Div. Kemedak)	16 May 2023/ 16 May 2023 to 15 May 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Bukit Kelompok Estate (Div A), KB 512, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/22/02320 (Bukit Kelompok Estate, Div A)	6 December 2022/ 13 December 2022 to 12 December 2025						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Bukit Kelompok Estate (Div B), KB 512, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/01332 (Bukit Kelompok Estate, Div B)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Bukit Layang Estate, KB 502, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/01207 (Bukit Layang Estate)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Mungka Estate, KB 524, 85009 Segamat, Johor:	Class Licence No.: LK/3/23/00480 (Mungka Estate)	16 May 2023/ 16 May 2023 to 15 May 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Mutiara Estate (Div Utama), P.O. Box 24, 86700 Kahang, Johor:	Class Licence No.: LK/3/23/01211 (Mutiara Estate, Div Utama)	4 January 2023/ 15 January 2023 to 14 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at P.O. Box 21, Mutiara Estate (Div Sg Sembrong Utama), Kahang, 86700 Kluang, Johor:	Class Licence No.: LK/3/23/01208 (Mutiara Estate, Div Sg Sembrong Utama)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Mutiara Estate (Div Sg Sembrong Utara), P.O. Box 21, 86700 Kahang, Johor:	Class Licence No.: LK/3/23/01209 (Mutiara Estate, Div Sg Sembrong Utara)	4 January 2023/ 15 January 2023 to 14 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Mutiara Estate (Div Selatan), P.O. Box 24, 86700 Kahang, Johor:	Class Licence No.: LK/3/23/01210 (Mutiara Estate, Div Selatan)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities or services at Pasir Panjang Estate, KB 527, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/00324 (Pasir Panjang Estate)	20 November 2023/ 20 November 2023 to 19 November 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities or services at Pasir Panjang Estate (Div Bukit Payung), KB 521, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/01215 (Pasir Panjang Estate, Div Bukit Payung)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Pasir Logok Estate, KB 504, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/22/02321 (Pasir Logok Estate)	6 December 2022/ 13 December 2022 to 12 December 2025						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Selai Estate (Div Enggang), KB 503, 86009 Kluang, Johor:	Class Licence No.: LK/3/23/00507 (Selai Estate, Div Enggang)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Selai Estate (Div Selai), KB 529, 86009 Kluang, Johor:	Class Licence No.: LK/3/23/00501 (Selai Estate, Div Selai)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Sepang Loi Estate, Peti Surat C-21, 85007 Segamat, Johor:	Class Licence No.: LK/3/23/01213 (Sepang Loi Estate)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Sungai Tawing Estate, KB 531, 86009 Kluang, Johor:	Class Licence No.: LK/3/23/01212 (Sungai Tawing Estate)	4 January 2023/ 15 January 2023 to 14 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Tunjuk Laut Estate (Div 2), KB No. 517, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/01644 (Tunjuk Laut Estate, Div 2)	11 May 2023/ 11 May 2023 to 10 May 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Tunjuk Laut Estate (Div 1), KB 517, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/01214 (Tunjuk Laut Estate, Div 1)	15 December 2022/ 3 January 2023 to 2 January 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
			Class licence to own, provide, or operate the following facilities and services at Siang Estate (Div Siang), KB 515, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/01112 (Siang Estate (Div Siang))	4 October 2023/ 4 October 2023 to 3 October 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Siang Estate (Div Balau), KB 515, 81909 Kota Tinggi, Johor:	Class Licence No.: LK/3/23/01111 (Siang Estate (Div Balau))	4 October 2023/ 4 October 2023 to 3 October 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance				
37.	JPG Plantations	SPAN	Class licence to own, provide, or operate the following facilities and services at Tereh Utara Estate, KB 536, 86009 Kluang, Johor:	Class Licence No.: LK/3/23/00492 (Tereh Utara Estate)	4 October 2023/ 4 October 2023 to 3 October 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										
			Class licence to own, provide, or operate the following facilities and services at Tereh Selatan Estate, KB 537, 86009 Kluang, Johor:	Class Licence No.: LK/3/23/00493 (Tereh Selatan Estate)	16 May 2023/ 16 May 2023 to 15 May 2026						
			<table border="1"> <tr> <td>Facilities licence</td> <td>Private water supply system</td> </tr> <tr> <td>Service licence</td> <td>Water distribution and water treatment</td> </tr> </table>	Facilities licence	Private water supply system	Service licence	Water distribution and water treatment				
Facilities licence	Private water supply system										
Service licence	Water distribution and water treatment										

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
38.	JPG	MPOB	Licences issued to permit the selling and moving of FFB	(a) Licence No.: 621316002000 (Selai Estate)	20 August 2023/ 1 October 2023 to 30 September 2024	(i) This licence shall not be assigned to another person.	Noted
				(b) Licence No.: 621317002000 (Sindora Estate)	3 August 2023/ 1 October 2023 to 30 September 2024	(ii) Any renewal of this licence shall be made within a period of not less than one month but not earlier than three months prior to its expiration.	
				(c) Licence No.: 621320002000 (Sungai Tawing Estate)	20 August 2023/ 1 October 2023 to 30 September 2024		
				(d) Licence No.: 621315002000 (Mutiara Estate)	20 August 2023/ 1 October 2023 to 30 September 2024		
				(e) Licence No.: 501225502000 (Rengam Estate)	14 February 2024/ 1 April 2024 to 31 March 2025		
				(f) Licence No.: 578736002000 (Pasir Panjang Estate)	28 November 2023/ 1 December 2023 to 30 November 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
				(g) Licence No.: 620166002000 (Bukit Kelompok Estate)	17 March 2024/ 1 April 2024 to 31 March 2025		
				(h) Licence No.: 575783002000 (Siang Estate)	13 August 2023/ 1 September 2023 to 31 August 2024		
				(i) Licence No.: 570243002000 (Sungai Papan Estate)	31 January 2024/ 1 March 2024 to 28 February 2025		
				(j) Licence No.:5705840020 00 (Mungka Estate)	29 February 2024/ 1 April 2024 to 31 March 2025		
				(k) Licence No.: 570585002000 (Palong Estate)	29 February 2024/ 1 April 2024 to 31 March 2025		
				(l) Licence No.: 619676002000 (Tunjuk Laut Estate)	13 August 2023/ 1 October 2023 to 30 September 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
				(m) Licence No.: 620145002000 (Pasir Logok Estate)	17 March 2024/ 1 April 2024 to 31 March 2025		
				(n) Licence No.: 621347002000 (REM Estate, Kota Tinggi)	11 October 2023/ 1 November 2023 to 31 October 2024		
				(o) Licence No.: 621346002000 (REM Estate, Johor Bahru)	11 October 2023/ 1 November 2023 to 31 October 2024		
				(p) Licence No.: 621380002000 (Kuala Kabong Estate)	11 October 2023/ 1 November 2023 to 31 October 2024		
				(q) Licence No.: 501224702000 (Sedenak Estate)	17 March 2024/ 1 April 2024 to 31 March 2025		
				(r) Licence No.: 621297002000 (UMAC Estate)	1 August 2023/ 1 October 2023 to 30 September 2024		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
				(s) Licence No.: 621313002000 (Labis Bharu Estate)	20 August 2023/ 1 October 2023 to 30 September 2024		
				(t) Licence No.: 621384002000 (Sepang Loi Estate)	26 September 2023/ 1 November 2023 to 31 October 2024		
				(u) Licence No.: 621312002000 (Basir Ismail Estate)	13 August 2023/ 1 October 2023 to 30 September 2024		
				(v) Licence No.: 621311002000 (Bukit Layang Estate)	13 August 2023/ 1 October 2023 to 30 September 2024		

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ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence issued to permit:	(a) Licence No.: 620248011000 (Sedenak Estate)	26 March 2024/ 1 May 2024 to 30 April 2025		
			(i) the producing of oil palm seedlings from oil palm seeds;				
			(ii) the selling and moving of oil palm seedlings from oil palm seeds; and	(b) Licence No.: 621403011000 (Basir Ismail Estate)	28 November 2023/ 1 December 2023 to 30 November 2024		
			(iii) the storing of oil palm seedlings from oil palm seeds	(c) Licence No.: 621443011000 (Mutiarra Estate)	7 November 2023/ 1 December 2023 to 30 November 2024		
				(d) Licence No.: 621457011000 (Sindora Estate)	13 February 2024/ 1 January 2024 to 31 December 2024		
			Licence issued to permit:	Licence No.: 578392004000 (Palong Cocoa POM)	1 November 2023/ 1 December 2023 to 30 November 2024		
			(i) the selling and moving of FFB, PK, CPO and SPO;				
			(ii) the purchasing and moving of FFB, PK and CPO;				
			(iii) the storing of PK, CPO and SPO; and				
			(iv) the milling of FFB				

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licences issued to permit:	(a) Licence No.:	28 November 2023/		
			(i) the selling and moving of PK, CPO and SPO;	592302004000 (Pasir Panjang POM)	1 January 2024 to 31 December 2024		
			(ii) the purchasing and moving of FFB, PK and CPO;	(b) Licence No.:	28 November 2023/		
			(iii) the storing of PK, CPO and SPO; and	500058304000 (Sedenak POM)	1 January 2024 to 31 December 2024		
			(iv) the milling of FFB	(c) Licence No.:	6 November 2023/		
				621521004000 (Sindora POM)	1 January 2024 to 31 December 2024		
			Licence issued to permit:	Licence No.:	31 January 2024/		
			(i) the selling and moving of PK, PFA, CPO, PPO, CPKO and SPO;	594729003000 (PTD 105773, Ulu Tiram Estate (merged administratively into REM Estate))	1 March 2024 to 28 February 2025		
			(ii) the purchasing and moving of PK, PFA, CPO, PPO, CPKO and SPO; and				
			(iii) the exporting of CPO				

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence issued to permit:	Licence No.:	29 April 2024/ 1 May 2024 to 30 April 2025		
			(i) the producing of oil palm seeds;	597214021000 (REM Estate)			
			(ii) the selling and moving of oil palm seed; and				
			(iii) the storing of oil palm seeds				

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ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
39.	Kulim Topplant Sdn Bhd*	MPOB	Licence issued to permit: (i) the producing of plant from oil palm tissue; (ii) the selling and moving of plant from oil palm tissue; and (iii) the storing of plant from oil palm tissue	Licence No.: 616500022000 (REM Estate)	20 May 2024/ 1 June 2024 to 31 May 2025		
	Note: * <i>JPG has submitted an application to MPOB on 15 May 2024 for a new licence to be issued under the name of JPG. The application is currently being processed by the MPOB.</i>						
40.	JPG Plantations	MPOB	Licences issued to permit the selling and moving of FFB	(a) Licence No.: 501673102000 (Tereh Utara Estate) (b) Licence No.: 501674902000 (Tereh Selatan Estate)	2 April 2024/ 1 May 2024 to 30 April 2025 2 April 2024/ 1 May 2024 to 30 April 2025		

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
			Licence issued to permit:	Licence No.:	6 May 2024/		
			(i) the selling and moving of FFB, PK, CPO and SPO;	500048604000 (Tereh POM)	1 June 2024 to 31 May 2025		
			(ii) the purchasing and moving of FFB, PK and CPO;				
			(iii) the storing of PK, CPO and SPO; and				
			(iv) the milling of FFB				
			Licence issued to permit:	Licence No.:	8 January 2024/		
			(i) the producing of oil palm seedlings from oil palm seeds and oil palm seedlings from plant from oil palm tissue;	620117011000 (Tereh Utara Estate)	1 March 2024 to 28 February 2025		
			(ii) the selling and moving of oil palm seedlings from oil palm seeds and oil palm seedlings from plant from oil palm tissue; and				
			(iii) the storing of oil palm seedlings from oil palm seeds and oil palm seedlings from plant from oil palm tissue				

ANNEXURE A: MAJOR CERTIFICATIONS, LICENCES, PERMITS AND APPROVALS (CONT'D)

No.	Licence/ Certificate/ Permit holder	Issuing authority	Description of licence/certification/permit	Licence/ Certificate/ Permit no.	Issuance date/ Validity period	Major conditions imposed	Status of compliance
41.	JPG Planterra	MPOB	Licence issued to permit selling and moving of oil palm seed at 1 st Floor, Parcel-B, Kulim Training Centre, Lot 2135 B, Batu 23 ½, Jalan Kota Tinggi, 81900 Kota Tinggi, Johor	Licence No.: 617886119000	22 December 2023/ 1 January 2024 to 31 December 2024		

Note:

- (1) We have submitted planning permission, building plan and landscape plan, which form part of the development plan, to the Kulai Municipal Council. As at the LPD, we are awaiting approval from the Kulai Municipal Council for us to proceed with the submission of the engineering plan.

ANNEXURE B: MATERIAL PROPERTIES

The following is a summary of the material properties owned and tenanted by our Group as at the LPD:

MATERIAL PROPERTIES OWNED BY OUR COMPANY**(a) Mungka Estate and Palong Estate**

No.	Registered owner/Title/ Tenure	Category of land use/Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> JPG</p> <p><u>Titles:</u> (i) HS(D) 52397, PTD 15677; (ii) HS(D) 52398, PTD 15678; (iii) HS(D) 52399, PTD 15679; and (iv) HS(D) 52400, PTD 15680, all in the Mukim of Buloh Kasap, District of Segamat, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 11 September 2112, with the remaining tenure of 88 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48793/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41509/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41510/2020.</p>	Oil palm plantation estate/Oil palm plantation, operational buildings and POM	5,629.9 Ha	236,868

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(b) Pasir Panjang Estate**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> JPG</p> <p><u>Title:</u> HS(D) 35107, PTD 558, Mukim of Kambau, District of Kota Tinggi, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 16 September 2112, with the remaining tenure of 88 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41529/2020	Oil palm plantation estate/Oil palm plantation, operational buildings and POM	1,609.9 Ha	81,877

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(c) Rengam Estate**

No.	Registered owner/Title/ Tenure	Category of land use/Restrictions in interest/Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> JPG <u>Titles:</u> (i) GRN 84384, Lot 1912; and (ii) GRN 22000, Lot 2264, all in the Mukim of Rengam, District of Kluang, State of Johor <u>Tenure use:</u> Freehold	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	Nil	Oil palm plantation estate/Oil palm plantation and operational buildings	2,418.2 Ha	181,000

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(d) Sedenak Estate**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> JPG <u>Title:</u> GRN 238346, Lot 1000, Mukim of Bukit Batu, District of Kulai, State of Johor <u>Tenure:</u> Freehold	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	Nil	Oil palm plantation estate/Oil palm plantation and operational buildings	2,807.8 Ha	267,086
2.	<u>Registered owner:</u> JPG <u>Titles:</u> (i) GRN 237351, Lot 972; (ii) GRN 237961, Lot 136; (iii) GRN 236656, Lot 1387; (iv) GRN 354796, Lot 817; (v) GRN 237392, Lot 964; (vi) GRN 237337, Lot 969; (vii) GRN 237342, Lot 970; and (viii) GRN 237346, Lot 971, all in the Mukim of Sedenak, District of Kulai, State of Johor <u>Tenure:</u> Freehold	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	The encumbrance under title GRN 236656, Lot 1387 is for the provision of easement for the servient lands owned by Kebun Sedenak Sdn Bhd vide presentation number 26066/2018.	Oil palm plantation estate/Oil palm plantation, operational buildings and POM		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
3.	<u>Registered owner:</u> JPG <u>Title:</u> GRN 236660, Lot 1389, Mukim of Sedenak, District of Kulai, State of Johor <u>Tenure:</u> Freehold	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakistan.</i>	Provision of easement for the servient lands owned by Kebun Sedenak Sdn Bhd vide presentation number 26066/2018.			

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(e) Sungai Papan Estate**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> JPG</p> <p><u>Titles:</u> (i) HS(D) 13179, Lot 356; (ii) HS(D) 13178, Lot 679; (iii) HS(D) 13177, Lot 8; (iv) HS(D) 13164, Lot 1350; (v) HS(D) 13165, Lot 115; (vi) HS(D) 13166, Lot 1353; (vii) HS(D) 13167, Lot 1354; (viii) HS(D) 13168, Lot 571; (ix) HS(D) 13169, Lot 219; (x) HS(D) 13170, Lot 592; (xi) HS(D) 13176, Lot 976; (xii) HS(D) 13175, Lot 975; (xiii) HS(D) 13171, Lot 335; (xiv) HS(D) 13174, Lot 593; (xv) HS(D) 13173, Lot 1349; (xvi) HS(D) 13172, Lot 249; and (xvii) HS(D) 13163, Lot 70, all in the Mukim of Tanjung Surat, District of Kota Tinggi, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 22 September 2090, with the remaining tenure of 66 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>The encumbrances under titles HS(D) 13178, Lot 679 and HS(D) 13163, Lot 70 are as follows:</p> <p>(a) Land charge in favour of CIMB Investment Bank Berhad vide presentation number 83671/2020; and</p> <p>(b) Land charge in favour of CIMB Islamic Bank Berhad vide presentation number 83672/2020</p>	<p>Oil palm plantation estate/Oil palm plantation and operational buildings</p>	<p>2,995.9 Ha</p>	<p>138,352</p>

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(f) Siang Estate**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> JPG</p> <p><u>Title:</u> HS(D) 35429, Lot 1221, Mukim of Pantai Timur, District of Kota Tinggi, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 9 October 2112, with the remaining tenure of 88 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakistan.</i></p>	Nil	Oil palm plantation estate/Oil palm plantation	3,434.0 Ha	190,398

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
2.	<p><u>Registered owner:</u> JPG</p> <p><u>Title:</u> HS(D) 33258, PTD 532, Mukim of Pantai Timur, District of Kota Tinggi, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 23 January 2087, with the remaining tenure of 63 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u></p> <p><i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakistan.</i></p>	<p>(a) Land charge in favour of CIMB Investment Bank Berhad vide presentation number 83671/2020; and</p> <p>(b) Land charge in favour of CIMB Islamic Bank Berhad vide presentation number 83672/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(g) REM Estate⁽¹⁾**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> JPG</p> <p><u>Titles:</u> (i) GRN 569357, Lot 4376; (ii) GRN 88831, Lot 703; (iii) GRN 569358, Lot 4377; and (iv) HS(D) 303, Lot 2838, all in the Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> Nil</p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakistan.</i></p>	<p>(a) Encumbrance under title GRN 569357, Lot 4376 is for the grant of the power to enter an area of 3.45 Ha of such land for construction purpose pursuant to the Electricity Supply Act 1990 vide presentation number 3579/2011.</p> <p>(b) Encumbrance under title GRN 569358, Lot 4377 is for the grant of the power to enter an area of 6.48 Ha of such land for construction purpose pursuant to the Electricity Supply Act 1990 vide presentation number 3579/2011 and 251/2014.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings	2,191.6 Ha	293,253

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
2.	<u>Registered owner:</u> JPG <u>Title:</u> PN 73313, Lot 31578, Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor <u>Tenure:</u> Leasehold of 999 years ending on 12 March 2911, with the remaining tenure of 887 years	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	400 square feet together with the substation building erected thereon the land is leased to Tenaga Nasional Berhad vide presentation number 62315/1999 commencing from 25 September 1997 to 24 September 2027.	Oil palm plantation estate/Oil palm plantation and operational buildings		
3.	<u>Registered owner:</u> JPG <u>Titles:</u> (i) GRN 88677, Lot 417; (ii) GRN 91216, Lot 681; (iii) GRN 49873, Lot 4397; (iv) GRN 49874, Lot 4398; (v) GRN 49875, Lot 4399; (vi) GRN 49876, Lot 4400; and (vii) GRN 81547, Lot 358, all in the Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor <u>Tenure:</u> Freehold	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	Encumbrance under title GRN 49875, Lot 4399 is for the grant of the power to enter an area of 12.39 Ha of such land for construction purpose pursuant to the Electricity Supply Act 1990 vide presentation number 244/2014.	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
4.	<u>Registered owner:</u> JPG <u>Title:</u> GRN 85677, Lot 890, Mukim of Sungai Tiram, District of Johor Bahru, State of Johor <u>Tenure:</u> Freehold	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	Nil	Oil palm plantation estate/Oil palm plantation and operational buildings		
5.	<u>Registered owner:</u> JPG <u>Title:</u> HS(D) 48816, PTD 43578, Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor <u>Tenure:</u> Leasehold of 999 years ending on 12 March 2911, with the remaining tenure of 887 years	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakistan.</i>	Nil	Oil palm plantation estate/Oil palm plantation, operational buildings and research & development centre		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(h) Basir Ismail Estate⁽¹⁾**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> JPG <u>Titles:</u> (i) GRN 91223, Lot 1004; (ii) GRN 105256, Lot 697; (iii) GRN 105257, Lot 766; (iv) GRN 105258, Lot 806; (v) GRN 105259, Lot 827; (vi) GRN 105235, Lot 841; (vii) GRN 105237, Lot 842; (viii) GRN 105238, Lot 843; (ix) GRN 105239, Lot 844; (x) GRN 105240, Lot 845; (xi) GRN 105241, Lot 846; (xii) GRN 22664, Lot 1419; (xiii) GRN 105242, Lot 847; (xiv) GRN 105243, Lot 848; (xv) GRN 105244, Lot 849; (xvi) GRN 105245, Lot 850; (xvii) GRN 105246, Lot 851; (xviii) GRN 105247, Lot 852; (xix) GRN 105248, Lot 853; (xx) GRN 105249, Lot 854; (xxi) GRN 105250, Lot 855; (xxii) GRN 105251, Lot 856; (xxiii) GRN 22665, Lot 1421; (xxiv) GRN 29320, Lot 1519; (xxv) GRN 105252, Lot 84;	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	(a) Encumbrance under title GRN 105247, Lot 852 is for the creation of an electricity wayleave for installation of electrical supply system of a total area of 0.66 Ha vide presentation number 5257/2017. (b) Encumbrance under title GRN 105258, Lot 806 is for the creation of an electricity wayleave for installation of electrical supply system of a total area of 2.94 Ha vide presentation number 5259/2017.	Oil palm plantation estate/Oil palm plantation and operational buildings	3,204.1 Ha	383,692

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
	(xxvi) GRN 105253, Lot 421; (xxvii) GRN 105254, Lot 422; (xxviii) GRN 89142, Lot 488; and (xxix) GRN 105255, Lot 611, all in the Mukim of Sungai Tiram, District of Johor Bahru, State of Johor <u>Tenure:</u> Freehold		(c) Encumbrance under title GRN 105250, Lot 855 is for the creation of an electricity wayleave for installation of electrical supply system of a total area of 1.67 Ha vide presentation number 5260/2017.			

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(i) Labis Bahru Estate⁽¹⁾**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total and area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> JPG <u>Titles:</u> (i) GRN 38194, Lot 1164; (ii) GRN 36809, Lot 974; (iii) GRN 38197, Lot 1265; (iv) GRN 42799, Lot 1672; (v) GM 213, Lot 605; (vi) GM 219, Lot 606; (vii) GM 214, Lot 608; (viii) GM 215, Lot 609; (ix) GM 220, Lot 610; (x) GM 216, Lot 611; (xi) GM 212, Lot 612; (xii) GM 217, Lot 613; (xiii) GM 210, Lot 622; (xiv) GM 211, Lot 623; (xv) GM 218, Lot 449; (xvi) GRN 38195, Lot 1165; (xvii) GRN 38196, Lot 1166; (xviii) GRN 40087, Lot 1687; (xix) GRN 38198, Lot 1699; and (xx) GRN 44205, Lot 3771, all in the Mukim of Pogoh, District of Segamat, State of Johor	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> i. <i>Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> ii. <i>Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i>	(a) Encumbrance under title GRN 38197, Lot 1265 is for the grant of the power to enter an area of 28.64 Ha of such land for construction purpose pursuant to the Electricity Supply Act 1990 vide presentation number 6052/2023. (b) Encumbrance under title GM 212, Lot 612 is for the grant of the power to enter an area of 0.85 Ha of such land for construction purpose pursuant to the Electricity Supply Act 1990 vide presentation number 468/2009.	Oil palm plantation estate/Oil palm plantation and operational buildings	2,108.4 Ha	152,102

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total and area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
	Tenure: Freehold		<p>(c) Encumbrance under title GM 216, Lot 611 is for the grant of the power to enter an area of 0.29 Ha of such land for construction purpose pursuant to the Electricity Supply Act 1990 vide presentation number 468/2009.</p> <p>(d) Encumbrance under title GM 218, Lot 449 is for the creation of an electricity wayleave for installation of electrical supply system of a total area of 0.43 Ha vide presentation number 354/2018.</p>			

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total and area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
			<p>(e) Encumbrance under title GRN 38198, Lot 1699 is for the grant of the power to enter an area of 28.64 Ha of such land for construction purpose pursuant to the Electricity Supply Act 1990 vide presentation number 6052/2023.</p> <p>(f) Encumbrance under title GRN 44205, Lot 3771 is for the creation of an electricity wayleave for installation of electrical supply system of a total area of 4.74 Ha vide presentation number 7289/2018.</p>			

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

(j) Mutiara Estate⁽¹⁾

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> Kulim</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Titles:</u> (i) PN 74877, Lot 3918; (ii) PN 74939, Lot 3915; (iii) PN 74878, Lot 3916; and (iv) HS(D) 16399, PTD 1617, all in the Mukim of Kahang, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 20 June 2085, with the remaining tenure of 61 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, digadai, dicagar, dipajak ataupun dipindahmilik dengan apa cara sekalipun, termasuklah dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjualkan tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48798/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41514/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41515/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings	3,785.2 Ha	225,371

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
2.	<p><u>Registered owner:</u> Kulim</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Title:</u> PN 37261, Lot 3223, Mukim of Kahang, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 4 November 2074, with the remaining tenure of 50 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, digadai, dicagar, dipajak ataupun dipindahmilik dengan apa cara sekalipun, termasuklah dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjualkan tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u></p> <p><i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48798/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41514/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41515/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
3.	<p><u>Registered owner:</u> Kulim</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Title:</u> PN51898, Lot 3891, Mukim of Kahang, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 26 September 2085, with the remaining tenure of 61 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, digadai, dicagar, dipajak ataupun dipindahmilik dengan apa cara sekalipun, termasuklah dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan / menjualkan tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48798/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41514/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41515/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
4.	<p><u>Registered owner:</u> Kulim</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Title:</u> PN 74875, Lot 11327, Mukim of Kahang, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 5 May 2074, with the remaining tenure of 50 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, digadai, dicagar, dipajak ataupun dipindahmilik dengan apa cara sekalipun, termasuklah dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u></p> <p><i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48798/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41514/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41515/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
5.	<p><u>Registered owner:</u> Kulim</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Title:</u> PN 74876, Lot 11328, Mukim of Kahang, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 13 October 2102, with the remaining tenure of 78 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, digadai, dicagar, dipajak ataupun dipindahmilik dengan apa cara sekalipun, termasuklah dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u></p> <p><i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48798/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41514/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41515/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
6.	<p><u>Registered owner:</u> Kulim</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Title:</u> HSD 81499, PTD 3303, Mukim of Kahang, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 25 November 2082, with the remaining tenure of 58 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, digadai, dicagar, dipajak ataupun dipindahmilik dengan apa cara sekalipun, termasuklah dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u></p> <p><i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48798/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41514/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41515/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(k) Bukit Layang Estate⁽²⁾**

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> Kulim <u>Beneficial owner:</u> JPG <u>Title:</u> GRN 100184, Lot 283, Mukim of Sungai Tiram, District of Johor Bahru, State of Johor <u>Tenure:</u> Freehold	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48786/2019; (b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41373/2020; and (c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41374/2020.	Oil palm plantation estate/Oil palm plantation and operational buildings	397.8 Ha	54,659

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
2.	<u>Registered owner:</u> Kulim <u>Beneficial owner:</u> JPG <u>Titles:</u> (i) GRN 82608, Lot 778; (ii) GRN 105402, Lot 971; (iii) GRN 105394, Lot 974; (iv) GRN 101136, Lot 293; (v) GRN 105401, Lot 31; (vi) GRN 105389, Lot 718; (vii) GRN 105392, Lot 719; and (viii) GRN 84652, Lot 720, all in the Mukim of Sungai Tiram, District of Johor Bahru, State of Johor <u>Tenure:</u> Freehold	<u>Category of land use:</u> Nil <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	(a) Vesting by the Court vide presentation number 25180/2009 from OCBC Bank (Malaysia) Berhad to OCBC Al Amin Bank Berhad; (b) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48786/2019; (c) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41373/2020; and (d) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41374/2020.	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
3.	<p><u>Registered owner:</u> Kulim</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Titles:</u> (i) GRN 105393, Lot 712; (ii) GRN 105390, Lot 713; and (iii) GRN 105391, Lot 745, all in the Mukim of Sungai Tiram, District of Johor Bahru, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> Nil</p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Vesting by the Court vide presentation number 25180/2009 from OCBC Bank (Malaysia) Berhad to OCBC Al Amin Bank Berhad;</p> <p>(b) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48786/2019;</p> <p>(c) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41373/2020; and</p> <p>(d) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41374/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(I) Enggang Estate (subsequently administratively merged to Selai Estate) and Selai Estate⁽³⁾**

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> Selai</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Title:</u> GRN 562232, Lot 3892, Mukim of Kahang, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u></p> <p><i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48796/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41512/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41513/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings	3,535.3 Ha	192,058

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/ Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
2.	<p><u>Registered owner:</u> Selai</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Title:</u> GRN 562233, Lot 2838, Mukim of Paloh, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurmiakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u></p> <p>i. <i>Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p>ii. <i>Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48792/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41520/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41521/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(m) Sindora Estate⁽⁴⁾**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> JPG</p> <p><u>Titles:</u> (i) HS(D) 17659, PTD 4434; (ii) HS(D) 17660, PTD 4435; (iii) HS(D) 17661, PTD 4436; and (iv) HS(D) 17662, PTD 4437, all in the Mukim of Rengam, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 24 January 2086, with the remaining tenure of 62 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakistan.</i></p>	<p>Encumbrances under title HS(D) 17660, PTD 4435 as follows:</p> <p>(a) Private caveat lodged by CIMB Islamic Bank Berhad vide presentation number 59434/2023; and</p> <p>(b) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 27776/2024.</p>	<p>Oil palm plantation estate/Oil palm plantation, operational buildings and POM</p>	3,919.1 Ha	225,557

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(n) Sungai Tawing Estate⁽⁴⁾**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> JPG <u>Title:</u> HS(D) 6060, PTD 2137, Mukim of Paloh, District of Kluang, State of Johor <u>Tenure:</u> Leasehold of 99 years ending on 27 June 2079, with the remaining tenure of 55 years	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i>	Nil	Oil palm plantation estate/Oil palm plantation and operational buildings	2,225.8 Ha	97,043

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(o) UMAC Estate**

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (Approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> JPG <u>Title:</u> PN 31650, Lot 38803, Mukim of Keratong, District of Rompin, State of Pahang <u>Tenure:</u> Leasehold of 99 years ending on 17 March 2070, with the remaining tenure of 46 years	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> <i>Tanah ini tidak boleh dipindahmilik, dipajak, digadai melainkan setelah mendapat kebenaran bertulis daripada Pihak Berkuasa Negeri</i> <u>Express conditions:</u> <i>Tanah ini hendaklah digunakan untuk tanaman kelapa sawit sahaja.</i>	Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 10753/2020	Oil palm plantation estate/Oil palm plantation and operational buildings	1,624.8 Ha	87,008
2.	<u>Registered owner:</u> JPG <u>Titles:</u> (i) PN 31651, Lot 38804; and (ii) PN 31652, Lot 38805, all in the Mukim of Keratong, District of Rompin, State of Pahang <u>Tenure:</u> Leasehold of 99 years ending on 29 August 2071, with the remaining tenure of 47 years	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> <i>Tanah ini tidak boleh dipindahmilik, dipajak, digadai melainkan setelah mendapat kebenaran bertulis daripada Pihak Berkuasa Negeri.</i> <u>Express conditions:</u> <i>Tanah ini hendaklah digunakan untuk tanaman kelapa sawit sahaja.</i>	Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 10753/2020	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (Approximate)	Audited NBV as at 31 December 2023 (RM'000)
3.	<u>Registered owner:</u> JPG <u>Title:</u> PN 31653, Lot 38806, Mukim of Keratong, District of Rompin, State of Pahang <u>Tenure:</u> Leasehold of 99 years ending on 11 December 2071, with the remaining tenure of 47 years	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> <i>Tanah ini tidak boleh dipindahmilik, dipajak, digadai melainkan setelah mendapat kebenaran bertulis daripada Pihak Berkuasa Negeri.</i> <u>Express conditions:</u> <i>Tanah ini hendaklah digunakan untuk tanaman kelapa sawit sahaja.</i>	(a) Lease part of the land to Tenaga Nasional Berhad vide presentation number 5080/1999 commencing from 15.10.1998 to 14 October 2028; and (b) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 10753/2020.	Oil palm plantation estate/Oil palm plantation and operational buildings		
4.	<u>Registered owner:</u> JPG <u>Titles:</u> (i) PN 31654, Lot 38807; and (ii) PN 31655, Lot 38808, all in the Mukim of Keratong, District of Rompin, State of Pahang <u>Tenure:</u> Leasehold of 99 years ending on 25 February 2074, with the remaining tenure of 50 years	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> <i>Tanah ini tidak boleh dipindahmilik, dipajak, digadai melainkan setelah mendapat kebenaran bertulis daripada Pihak Berkuasa Negeri.</i> <u>Express conditions:</u> <i>Tanah ini hendaklah digunakan untuk tanaman kelapa sawit sahaja.</i>	Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 10753/2020	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (Approximate)	Audited NBV as at 31 December 2023 (RM'000)
5.	<p><u>Registered owner:</u> JPG</p> <p><u>Titles:</u> (i) PN 24427, Lot 25455; (ii) PN 24426, Lot 25456; (iii) PN 24428, Lot 25457; and (iv) PN 24429, Lot 25458, all in the Mukim of Keratong, District of Rompin, State of Pahang</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 28 November 2072, with the remaining tenure of 48 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah ini tidak boleh dipindahmilik, dipajak, digadai melainkan setelah mendapat kebenaran bertulis daripada Pihak Berkuasa Negeri.</i></p> <p><u>Express conditions:</u> Tanah ini hendaklah digunakan untuk tanaman kelapa sawit sahaja.</p>	Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 10753/2020	Oil palm plantation estate/Oil palm plantation and operational buildings		

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(p) Sepang Loi Estate⁽⁵⁾**

No.	Registered/Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<u>Registered owner:</u> Kumpulan Bertam <u>Beneficial owner:</u> JPG <u>Titles:</u> (i) GRN 45484, Lot 1436; (ii) GRN 45493, Lot 1446; (iii) GRN 45494, Lot 1447; (iv) GRN 45495, Lot 1448; (v) GRN 45496, Lot 1449; (vi) GRN 45497, Lot 1450; (vii) GRN 45498, Lot 1451; (viii) GRN 45499, Lot 1452; (ix) GRN 45500, Lot 1453; (x) GRN 45501, Lot 1454; (xi) GRN 45502, Lot 1455; (xii) GRN 45485, Lot 1437; (xiii) GRN 45503, Lot 1456; (xiv) GRN 45504, Lot 1457; (xv) GRN 45486, Lot 1438; (xvi) GRN 45487, Lot 1440; (xvii) GRN 45488, Lot 1441; (xviii) GRN 45489, Lot 1442; (xix) GRN 45490, Lot 1443; (xx) GRN 45491, Lot 1444; and	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i>	(a) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 83656/2020; and (b) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 83657/2020.	Oil palm plantation estate/Oil palm plantation and operational buildings	970.2 Ha	64,366

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
	(xxi) GRN 45492, Lot 1445, all in the Mukim of Sermin, District of Segamat, State of Johor <u>Tenure:</u> Freehold					
2.	<u>Registered owner:</u> Kumpulan Bertam <u>Beneficial owner:</u> JPG <u>Titles:</u> (i) GRN 45505, Lot 1458; (ii) GRN 45506, Lot 1459; (iii) GRN 45508, Lot 1462; (iv) GRN 45509, Lot 1463; (v) GRN 45510, Lot 1464; (vi) GRN 45511, Lot 1465; (vii) GRN 45512, Lot 1466; (viii) GRN 45513, Lot 1467; (ix) GRN 45514, Lot 1468; (x) GRN 45515, Lot 1469; (xi) GRN 45516, Lot 1470; (xii) GRN 45517, Lot 1471; (xiii) GRN 45518, Lot 1472; (xiv) GRN 45519, Lot 1473; (xv) GRN 45520, Lot 1474; (xvi) GRN 45521, Lot 1475;	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i>	(a) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 83619/2020; and (b) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 83620/2020.	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
	<p>(xvii) GRN 45522, Lot 1476; (xviii) HS(D) 1625, MLO 512; and (xix) HS(D) 1623, MLO 530, all in the Mukim of Sermin, District of Segamat, State of Johor</p> <p><u>Tenure:</u> Freehold</p>					
3.	<p><u>Registered owner:</u> Kumpulan Bertam</p> <p><u>Beneficial owner:</u> JPG</p> <p><u>Titles:</u> (i) HS(D) 9439, PTD 54; and (ii) HS(D) 9440, PTD 94, all in the Mukim of Sermin, District of Segamat, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjualkan tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p>	<p>(a) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 83619/2020; and</p> <p>(b) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 83620/2020.</p>	<p>Oil palm plantation estate/Oil palm plantation and operational buildings</p>		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered/Beneficial owner/Title/Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
		ii. <i>Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i>				

Notes:

- (1) Pursuant to the business transfer agreement dated 27 September 2022 entered into between Kulim and our Company, Kulim, being the registered proprietor of the lands, agreed to transfer the lands located at Ulu Tiram Estate (subsequently administratively merged to REM Estate), REM Estate, Basir Ismail Estate, Labis Bahru Estate, Mutiara Estate and Sungai Sembrong Estate (subsequently administratively merged to Mutiara Estate) to our Company. A supplemental agreement dated 30 November 2023 was subsequently entered into between the parties to exclude the transfer of Ulu Tiram Estate. Please refer to Sections 6.1.4 and 14.6 of this Prospectus for further details. The business transfer agreement and supplemental agreement have completed on 30 June 2023. As at the LPD, the lands at Mutiara Estate are pending transfer to the name of JPG.
- (2) Pursuant to the business transfer agreement dated 27 September 2022 and the supplemental agreement dated 30 November 2023 entered into between Kulim, UTMC and our Company, Kulim (on behalf of UTMC), being the registered proprietor of the lands, agreed to transfer the lands located at Bukit Layang Estate to our Company. Please refer to Sections 6.1.4 and 14.6 of this Prospectus for further details. The business transfer agreement and supplemental agreement have completed on 30 June 2023. As at the LPD, the lands at Bukit Layang Estate are pending transfer to the name of JPG.
- (3) Pursuant to the business transfer agreement dated 27 September 2022 and the supplemental agreement dated 30 November 2023 entered into between Selai and our Company, Selai being the registered proprietor of the lands, agreed to transfer the lands located at Enggang Estate and Selai Estate to our Company. Please refer to Sections 6.1.4 and 14.6 of this Prospectus for further details. The business transfer agreement and supplemental agreement have completed on 30 June 2023. As at the LPD, the lands at Enggang Estate (subsequently administratively merged to Selai Estate) and Selai Estate are pending registration under the name of JPG.

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

- (4) Pursuant to the business transfer agreement dated 27 September 2022 and the supplemental agreement dated 30 November 2023 entered into between Sindora and our Company, Sindora being the registered proprietor of the lands, agreed to transfer the lands located at Sungai Tawing Estate and Sindora Estate to our Company. Please refer to Sections 6.1.4 and 14.6 of this Prospectus for further details. The business transfer agreement and supplemental agreement have completed on 30 June 2023.

- (5) Pursuant to the business transfer agreement dated 3 November 2022 and the supplemental agreement dated 30 November 2022 entered into between Kumpulan Bertam and our Company, Kumpulan Bertam, being the registered proprietor of the lands, agreed to transfer the lands located at Sepang Loi Estate to our Company. Please refer to Sections 6.1.4 and 14.6 of this Prospectus for further details. The business transfer agreement and supplemental agreement have completed on 30 June 2023. As at the LPD, the lands at Sepang Loi Estate are pending registration under the name of JPG.

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

REAL PROPERTIES OWNED BY JPG PLANTATIONS

(a) Tereh Utara Estate and Tereh Selatan Estate

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
1.	<p><u>Registered owner:</u> JPG Plantations</p> <p><u>Title:</u> HS(D) 6766, PTD 3326, Mukim of Niyor, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, dipajak, digadai atau dipindahmilik dengan apa cara sekalipun, termasuk dengan menggunakan segala surat perjanjian yang bertujuan untuk melepaskan atau menjual tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48790/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41502/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41503/2020.</p>	<p>Oil palm plantation estate/Oil palm plantation, operational buildings and POM</p>	<p>5,794.6 Ha</p>	<p>318,374</p>

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
2.	<p><u>Registered owner:</u> JPG Plantations</p> <p><u>Titles:</u> (i) HS(D) 5655, PTD 3504; and (ii) HS(D) 5657, PTD 3506, all in the Mukim of Paloh, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 27 August 2078, with the remaining tenure of 54 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> Nil</p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa dan kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48801/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41477/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41478/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
3.	<u>Registered owner:</u> JPG Plantations <u>Title:</u> HS(D) 6061, PTD 3509, Mukim of Paloh, District of Kluang, State of Johor <u>Tenure:</u> Leasehold of 99 years ending on 27 June 2079, with the remaining tenure of 55 years	<u>Category of land use:</u> Agriculture <u>Restrictions in interest:</u> Nil <u>Express conditions:</u> Nil	(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48801/2019; (b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41477/2020; and (c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41478/2020.	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
4.	<p><u>Registered owner:</u> JPG Plantations</p> <p><u>Title:</u> HS(D) 6767, PTD 3540, Mukim of Paloh, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, dipajak, digadai atau dipindahmilik dengan apa cara sekalipun termasuk dengan menggunakan segala surat perjanjian yang bertujuan untuk melepaskan atau menjual tanah ini tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48801/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41477/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41478/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
5.	<p><u>Registered owner:</u> JPG Plantations</p> <p><u>Title:</u> HS(D) 8856, PTD 4142, Mukim of Niyor, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> <i>Tanah yang dikurniakan ini tidak boleh dijual, dipajak, digadai, dicagar atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Penguasa Negeri.</i></p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48790/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41502/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41503/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
6.	<p><u>Registered owner:</u> JPG Plantations</p> <p><u>Titles:</u> (i) HS(D) 5658, PTD 4607; and (ii) HS(D) 5660, PTD 4609, all in the Mukim of Niyor, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Leasehold of 99 years ending on 27 August 2078, with the remaining tenure of 54 years</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> Nil</p> <p><u>Express conditions:</u> <i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i> <i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah-langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48790/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41502/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41503/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Registered owner/Title/ Tenure	Category of land use/ Restrictions in interest/ Express conditions	Encumbrances on land	Description/ Existing Use	Total land area (approximate)	Audited NBV as at 31 December 2023 (RM'000)
7.	<p><u>Registered owner:</u> JPG Plantations</p> <p><u>Title:</u> HS(D) 23795, PTD 4610, Mukim of Niyor, District of Kluang, State of Johor</p> <p><u>Tenure:</u> Freehold</p>	<p><u>Category of land use:</u> Agriculture</p> <p><u>Restrictions in interest:</u> Nil</p> <p><u>Express conditions:</u></p> <p><i>i. Tanah ini hendaklah ditanam dengan tanaman kelapa sawit.</i></p> <p><i>ii. Pemilik tanah hendaklah sepanjang masa mengambil langkah langkah menurut perintah yang dikehendaki oleh Pentadbir Tanah menjaga tanah ini daripada hakisan.</i></p>	<p>(a) Private caveat lodged by CIMB Investment Bank Berhad vide presentation number 48790/2019;</p> <p>(b) Land Charge in favour of CIMB Investment Bank Berhad vide presentation number 41502/2020; and</p> <p>(c) Land Charge in favour of CIMB Islamic Bank Berhad vide presentation number 41503/2020.</p>	Oil palm plantation estate/Oil palm plantation and operational buildings		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**REAL PROPERTIES RENTED BY US**Estates & Operational Offices**(a) Bukit Payung Estate (merged administratively into Pasir Panjang Estate)⁽¹⁾**

No.	Landlord	Tenant	Title/Postal address	Tenure of tenancy	Land area	Description/ Existing Use	Rental payable per term of 3 years (RM)	Audited NBV as at 31 December 2023 (RM'000)
1.	JCorp	JPG	Title: HS(D) 35105, PTD 4143, Mukim of Ulu Sungei Sedeli Besar, District of Kota Tinggi, State of Johor / Ladang Bukit Payung, K.B. 521, 81909 Kota Tinggi, Johor	3 years commencing from 1 July 2023 to 30 June 2026	2,282.6 Ha (5,640.4 acres)	Oil palm plantation estate/Oil palm plantation and operational buildings	19,219,523.00 ⁽¹⁾	12,905
2.	JCorp	JPG	Title: HS(D) 35106, PTD 4144, Mukim of Ulu Sungei Sedeli Besar, District of Kota Tinggi, State of Johor / Ladang Bukit Payung, K.B. 521, 81909 Kota Tinggi, Johor	3 years commencing from 1 July 2023 to 30 June 2026	25.0 Ha (61.9 acres)	Oil palm plantation estate/Oil palm plantation	19,219,523.00 ⁽¹⁾	
				Total land area	2,307.6 Ha			

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(b) Pasir Logok Estate and Bukit Kelompok Estate⁽¹⁾**

No.	Landlord	Tenant	Title/Postal Address	Tenure of Tenancy	Land area	Description/ Existing Use	Rental payable per term of 3 years (RM)	Audited NBV as at 31 December 2023 (RM'000)
1.	JCorp	JPG	HS(D) 32182, PTD 401, Mukim of Kambau, District of Kota Tinggi, State of Johor / Ladang Bukit Kelompok, K.B. 512, 81909 Kota Tinggi, Johor and Ladang Pasir Logok, K.B. 504, 81909 Kota Tinggi, Johor	3 years commencing from 1 July 2023 to 30 June 2026	2,838.0 Ha (7,012.8 acres)	Oil palm plantation estate/Oil palm plantation and operational buildings	19,219,523.00 ⁽¹⁾	60,749
2.	JCorp	JPG	HS(D) 32183, PTD 402, Mukim of Kambau, District of Kota Tinggi, State of Johor / Ladang Pasir Logok, K.B. 504, 81909 Kota Tinggi, Johor	3 years commencing from 1 July 2023 to 30 June 2026	1,055.6 Ha (2,608.5 acres)	Oil palm plantation estate/Oil palm plantation and operational buildings	19,219,523.00 ⁽¹⁾	
3.	JCorp	JPG	HS(D) 32184, PTD 403, Mukim of Kambau, District of Kota Tinggi, State of Johor / Ladang Pasir Logok, K.B. 504, 81909 Kota Tinggi, Johor	3 years commencing from 1 July 2023 to 30 June 2026	144.2 Ha (356.3 acres)	Oil palm plantation estate/Oil palm plantation and operational buildings	19,219,523.00 ⁽¹⁾	
				Total land area	4,037.8 Ha			

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(c) Tunjuk Laut Estate⁽¹⁾**

No.	Landlord	Tenant	Title/Postal address	Tenure of Tenancy	Land area	Description/ Existing Use	Rental payable per term of 3 years (RM)	Audited NBV as at 31 December 2023 (RM'000)
1.	JCorp	JPG	HS(D) 13894, Lot 252, Mukim of Kambau, District of Kota Tinggi, State of Johor / Ladang Tunjuk Laut K.B. 517, 81909 Kota Tinggi, Johor	3 years commencing from 1 July 2023 to 30 June 2026	28.0 Ha (69.24 acres)	Oil palm plantation estate/Oil palm plantation	19,219,523.00 ⁽¹⁾	29,689
2.	JCorp	JPG	HS(D) 7747, PTD 36, Mukim of Kambau, District of Kota Tinggi, State of Johor / Ladang Tunjuk Laut K.B. 517, 81909 Kota Tinggi, Johor	3 years commencing from 1 July 2023 to 30 June 2026	2,839.8 Ha (7,017.3 acres)	Oil palm plantation estate/Oil palm plantation and operational buildings	19,219,523.00 ⁽¹⁾	
				Total land area	2,867.8 Ha			

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**(d) Kuala Kabong Estate⁽²⁾**

No.	Landlord	Tenant	Title/Postal address	Tenure of Tenancy	Land area	Description / Existing Use	Rental payable per month (RM)	Audited NBV as at 31 December 2023 (RM'000)
1.	JCorp	JPG	HS(D) 71140, PTD 35021, Mukim of Bukit Batu, District of Kulai, State of Johor / Ladang Kuala Kabong, K.B. 125, 81020 Kulai, Johor	1 year commencing from 1 December 2022 to 30 November 2023	1,511.5 Ha	Oil palm plantation estate/Oil palm plantation and operational buildings	46,686.00	1,520
				Total land area	1,511.5 Ha			

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

(e) REM Estate

No.	Landlord	Tenant	Title/Postal address	Tenure of Tenancy	Land area	Description/ Existing Use	Rental payable per month (RM)	Audited NBV as at 31 December 2023 (RM'000)
1.	Kulim	JPG ⁽³⁾	HS(D) 354243, PTD 105763, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 705 & 710, 80990 Johor Bahru, Johor	5 consecutive periods of 3 years each commencing from 1 December 2022 to 30 November 2025	19.7 Ha	Oil plantation estate/Oil palm plantation and operational buildings	19,013.00	95
2.	Kulim	JPG ⁽⁴⁾	HS(D) 60959, PTD 49029, Mukim of and District of Kota Tinggi, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor	On a monthly basis commencing from 1 March 2024	6.2 Ha	Oil plantation estate/Oil palm plantation	1,795.06 ⁽⁴⁾	
			HS(D) 60958, PTD 49028, Mukim of and District of Kota Tinggi, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		5.9 Ha	Oil plantation estate/Oil palm plantation		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Landlord	Tenant	Title/Postal address	Tenure of Tenancy	Land area	Description/ Existing Use	Rental payable per month (RM)	Audited NBV as at 31 December 2023 (RM'000)
			HS(D) 60960, PTD 49030, Mukim of and District of Kota Tinggi, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		16.9 Ha	Oil plantation estate/Oil plantation palm palm		
3.	Kulim	JPG ⁽⁵⁾	HS(D) 354253, PTD 105773, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor	Term is 5 consecutive periods of 3 years each. First tenancy term commences 1 December 2022 to 30 November 2025	3.4 Ha (8.4 acres)	Oil plantation estate/Oil plantation palm palm	20,024.20 ⁽⁵⁾	
			HS(D) 354255, PTD 105775, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		65.9 Ha (162.9 acres)	Oil plantation estate/Oil plantation palm palm		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Landlord	Tenant	Title/Postal address	Tenure of Tenancy	Land area	Description/ Existing Use	Rental payable per month (RM)	Audited NBV as at 31 December 2023 (RM'000)
			HS(D) 354243, PTD 105763, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 705 & 710, 80990 Johor Bahru, Johor		57.0 Ha (137.6 acres and 137,274 square feet)	Oil plantation palm estate/Oil plantation and operational buildings		
4.	Johor Land	JPG ⁽⁶⁾	HSD 485014 Part of PTD153887, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor	3 years commencing from 1 January 2022 to 31 December 2024	30.3 Ha	Oil plantation palm estate/Oil plantation	50,000.00	699
			HSD 485010 PTD 153883, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		32.6 Ha	Oil plantation palm estate/Oil plantation		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Landlord	Tenant	Title/Postal address	Tenure of Tenancy	Land area	Description/ Existing Use	Rental payable per month (RM)	Audited NBV as at 31 December 2023 (RM'000)
			HSD 485013 PTD 153886, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		10.4 Ha	Oil plantation palm estate/Oil palm plantation		
			Geran 97956 Part of Lot 2437, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		38.9 Ha	Oil plantation palm estate/Oil palm plantation		
			HSD 485011 Part of PTD153884, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		34.6 Ha	Oil plantation palm estate/Oil palm plantation		

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

No.	Landlord	Tenant	Title/Postal address	Tenure of Tenancy	Land area	Description/ Existing Use	Rental payable per month (RM)	Audited NBV as at 31 December 2023 (RM'000)
			HSD 485011 Part of PTD153884, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		38.1 Ha	Oil palm plantation estate/Oil palm plantation		
			HSD 485012 Part of PTD153885, Mukim of Tebrau, District of Johor Bahru, State of Johor / Ladang Ulu Tiram, K. B. 710, 80990 Johor Bahru, Johor		44.0 Ha	Oil palm plantation estate/Oil palm plantation		
				Total land area	403.9 Ha			

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ANNEXURE B: MATERIAL PROPERTIES (CONT'D)**Notes:**

- (1) Pursuant to the Tenancy Agreement, JCorp agreed to grant us, and we agreed to accept from JCorp a tenancy to occupy and use the following leasehold lands (inclusive of the palm oil processing mill and such other premises erected thereon) solely for the purpose of conducting the oil palm plantation business and activities for a term of 3 years effective from 1 July 2020 and expiring on 30 June 2023, which has subsequently been extended by way of the Renewal Tenancy Agreement, at the total rental for each term (being 3 years) of RM19,219,523.00 collectively, and it can be terminated mutually or by either party in giving the other party at least 3 months prior written notice:
- (a) Bukit Payung Estate
 - (i) HS(D) 35105 PTD 4143 Mukim of Ulu Sungei Sedeli Besar, District of Kota Tinggi, State of Johor measuring approximately 5,640.50 acres; and
 - (ii) HS(D) 35106 PTD 4144 Mukim of Ulu Sungei Sedeli Besar, District of Kota Tinggi, State of Johor measuring approximately 61.86 acres.
 - (b) Tunjuk Laut Estate
 - (i) HS(D) 7747 PTD 36 Mukim of Kambau, District of Kota Tinggi, State of Johor measuring approximately 7,017.25 acres (together with a palm oil processing mill and such other premises erected thereon, as amended by the supplemental agreement dated 27 July 2022); and
 - (ii) HS(D) 13894 Lot 252 Mukim of Kambau, District of Kota Tinggi, State of Johor measuring approximately 69.24 acres.
 - (c) Bukit Kelompok Estate
 - (i) Part of HS(D) 32182 PTD 401 (BKE) Mukim of Kambau, District of Kota Tinggi, State of Johor measuring approximately 5,577.98 acres.
 - (d) Pasir Logok Estate
 - (i) Part of HS(D) 32182 PTD 401 (PLE) Mukim of Kambau, District of Kota Tinggi, State of Johor measuring approximately 1,434.86 acres;
 - (ii) HS(D) 32183 PTD 402 Mukim of Kambau, District of Kota Tinggi, State of Johor measuring approximately 2,608.52 acres; and
 - (iii) HS(D) 32184 PTD 403 Mukim of Kambau, District of Kota Tinggi, State of Johor measuring approximately 356.32 acres.

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

- (2) Pursuant to the letter of offer dated 20 November 2022 entered into between JCorp (as landlord) and our Company (as tenant), JCorp agreed to let and we agreed to accept the tenancy in respect of all that piece of agriculture land, held under HS (D) 71140 PTD 35021 Mukim of Bukit Batu, District of Kulai, State of Johor, measuring approximately 3,734.88 acres and known as Kuala Kabung Estate for a term of one year commencing from 1 December 2022 to 30 November 2023 at the monthly rental of RM46,686.00, which has subsequently been extended to 31 December 2023 via Kulim's letter (issued on behalf of our Company) dated 20 March 2023 and further extended to 31 December 2024 via a letter issued by JCorp to our Company dated 21 November 2023.
- (3) Pursuant to the tenancy agreement dated 30 June 2023 entered into between Kulim (as landlord) and our Company (as tenant) and supplemental letter dated 1 July 2023, Kulim has agreed to rent to us the operational offices, residential and common area and facilities located on the piece of land held under HS(D)354243 PTD105763, Mukim of Tebrau, District of Johor Bahru, State of Johor measuring 19.65 Ha altogether at the monthly rental of RM19,013.00 for 5 consecutive periods of 3 years each, commencing from 1 December 2022.
- (4) Pursuant to the tenancy agreement dated 30 June 2023 entered into between Kulim (as landlord) and our Company (as tenant), Kulim has agreed to rent to us the following lands, with a total area measuring approximately 173.95 acres, at the total monthly rental of RM4,348.75 for 5 consecutive periods of 3 years each, commencing from 1 December 2022:
- (a) Geran 96631 Lot 16 Mukim of and District of Kota Tinggi, State of Johor measuring approximately 43.73 acres;
 - (b) Geran 96632 Lot 17 Mukim of and District of Kota Tinggi, State of Johor measuring approximately 20.31 acres;
 - (c) Geran 96635 Lot 998 Mukim of and District of Kota Tinggi, State of Johor measuring approximately 4.98 acres;
 - (d) Geran 96636 Lot 1175, Mukim of and District of Kota Tinggi, State of Johor measuring approximately 20.36 acres;
 - (e) Geran 96637 Lot 1176 Mukim of and District of Kota Tinggi, State of Johor measuring approximately 63.01 acres;
 - (f) Geran 96638 Lot 1182 Mukim of and District of Kota Tinggi, State of Johor measuring approximately 14.63 acres; and
 - (g) Geran 101746 Lot 773 Mukim of and District of Kota Tinggi, State of Johor measuring approximately 6.93 acres.

On 1 March 2024, we ceased renting Geran 96631 (Lot 16), Geran 96632 (Lot 17), Geran 96635 (Lot 998), Geran 96636 (Lot 1175) and Geran 101746 (Lot 773). Due to a surrender of lands undertaken by Kulim, the total land area in relation to the remaining lands rented from Kulim, namely Geran 96637 (Lot 1176) and Geran 96638 (Lot 1182), which are now known as HS(D) 60959 PTD 49029, HS(D) 60960 PTD 49030 and HS(D) 60958 PTD 49028, have been reduced to a total land area of 29.1 Ha. Our tenancy in respect of such reduced land area of 29.1 Ha has also been changed to a monthly tenancy at the monthly rental of RM1,795.06. Kulim has further informed us that it is in the process of disposing of the reduced land area of 29.1 Ha, and will then cease our tenancy in respect of such area once the disposal is completed.

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

- (5) Pursuant to the tenancy agreement dated 30 June 2023 entered into between Kulim (as landlord) and our Company (as tenant), Kulim has agreed to rent to us the following lands measuring a total of approximately 308.928 acres together with the properties erected on the lands (being operational offices measuring approximately 15,240 square feet, residential buildings measuring approximately 99,419 square feet and facilities measuring approximately 22,615 square feet), measuring approximately 126.294 Ha land area in total, at the monthly rental of RM20,024.20 for 5 consecutive periods of 3 years each, commencing from 1 December 2022:
- (a) HS(D) 354253 PTD 105773 Mukim of Tebrau, District of Johor Bahru, State of Johor measuring approximately 8.419 acres;
 - (b) HS(D) 354255 PTD 105775 Mukim of Tebrau, District of Johor Bahru, State of Johor measuring approximately 162.872 acres; and
 - (c) GRN 354243 Lot 105763 Mukim of Tebrau, District of Johor Bahru, State of Johor measuring approximately 137.637 acres.
- (6) Pursuant to the tenancy agreement dated 26 April 2022 entered into between Johor Land (as landlord) and Kulim (as tenant), Johor Land has agreed to rent to Kulim the following identified parcels of land measuring a total land area of 270.07 Ha, for a term of 3 years commencing from 1 January 2022 to 31 December 2024 at the annual rental of RM600,000.00:
- (a) HSD 485014 Part of PTD153887, Mukim of Tebrau, District of Johor Bahru, State of Johor measuring 30.29 Ha (field: P84);
 - (b) HSD485010 PTD153883, Mukim of Tebrau, District of Johor Bahru, State of Johor measuring 32.61 Ha (field: P86);
 - (c) HSD485013 PTD 153886, Mukim of Tebrau, District of Johor Bahru, State of Johor measuring 10.37 Ha (field: P88/01);
 - (d) Geran 96628, 96629, 96633, 96634, 96638, 96639 Lot 12, 14, 18, 860, Part of 1182, 2016 Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor measuring 40.22 Ha (field: P90B);
 - (e) Geran 97956 Part of Lot 2437, Mukim of Tebrau, District of Kota Tinggi, State of Johor measuring 38.86 Ha (field: P92P);
 - (f) Geran 96637 Part of Lot 1176, Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor measuring 1 Ha (field: P94);
 - (g) HSD485011 Part of PTD153884, Mukim of Tebrau, District of Johor Bahru, State of Johor measuring 34.63 Ha (field: P13/01);
 - (h) HSD485011 Part of PTD153884, Mukim of Tebrau, District of Johor Bahru, State of Johor measuring 38.13 Ha (field: P13/02); and
 - (i) HSD485012 Part of PTD153885, Mukim of Tebrau, District of Johor Bahru, State of Johor measuring 43.96 Ha (field: P13/02).

ANNEXURE B: MATERIAL PROPERTIES (CONT'D)

Johor Land, Kulim and our Company (as new tenant) subsequently entered into a novation letter dated 15 December 2022, to novate the tenancy agreement in favour of our Company with effect from 1 December 2022. Johor Land had subsequently via a letter dated 20 November 2023 expressed its intention to terminate the rental arrangement in respect of 41.22 Ha of the REM Estate, held under Geran 96628 (Lot 12), 96629 (Lot 14), 96633 (Lot 18), 96634 (Lot 860), 96638 (part of Lot 1182), 96639 (Lot 2016), Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor and Geran 96637 Part of Lot 1176, Mukim of Kota Tinggi, District of Kota Tinggi, State of Johor, with effect from 15 December 2023. Pursuant thereto, the total land area of the REM Estate rented by Johor Land to us shall accordingly be reduced to 228.85 Ha in total with effect from 15 December 2023.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (ACCOMPANYING THE ELECTRONIC PROSPECTUS)

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

1. OPENING AND CLOSING OF APPLICATION PERIOD

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 12 JUNE 2024

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 24 JUNE 2024

In the event of any changes to the date or time for closing, we will advertise the notice of changes in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia, and make an announcement on the website of Bursa Malaysia Berhad.

Late Applications will not be accepted.

2. METHODS OF APPLICATION

2.1 Application of our IPO Shares under the Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

<u>Types of Application and category of investors</u>	<u>Application Method</u>
Applications by the Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(a) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(b) Non-Individuals	White Application Form only

2.2 Application of our IPO Shares under the Institutional Offering

<u>Types of Application</u>	<u>Application Method</u>
Applications by:	
(a) Institutional and selected investors	Our Joint Global Coordinators and Joint Bookrunners will contact the investors directly. They should follow the instructions of Joint Global Coordinators and Joint Bookrunners.
(b) Bumiputera investors approved by the MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions.

3. ELIGIBILITY

3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in **Section 12** of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO APPLY FOR IPO SHARES USING A JOINT BANK ACCOUNT SHOULD COMMUNICATE WITH THE FINANCIAL INSTITUTION IN CHARGE OF IPO APPLICATION TO PROVIDE THE MATCHING NAME IN THE JOINT BANK ACCOUNT AGAINST HIS/ HER CDS ACCOUNT TO ISSUING HOUSE. THIS IS TO ENSURE THAT ISSUING HOUSE RECEIVES IPO APPLICATION WHERE THE NAME IN THE JOINT BANK ACCOUNT MATCHES AGAINST THE NAME IN THE CDS ACCOUNT AND TO MINIMISE THE INCIDENT OF REJECTED IPO APPLICATION DUE TO “CDS ACCOUNT BELONGS TO OTHER PERSON”. COMPANY, PRINCIPAL ADVISER & ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUE ARISING THEREAFTER.

3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares;
 - (b) a corporation/ institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/ trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.
- (ii) you must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and

- (iii) you must submit Applications by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

3.3 Application by Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation.

The Eligible Persons who have made applications using the Pink Application Form may still apply for our IPO Shares allocated to the Malaysia Public using the White Application Form or through the Electronic Share Application or the Internet Share Application.

4. PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted. The Malaysian Public must follow the following procedures in making their applications through the **White Application Form**:

- (i) Obtain the relevant Application Form together with the Official “A” and “B” envelopes and our Prospectus.

The **White Application Form** together with our Prospectus, can be obtained subject to availability from RHB Investment Bank Berhad, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association, and the Issuing House.

- (ii) In accordance with Section 232(2) of the CMSA, the **White Application Form** is accompanied by our Prospectus. You are advised to read and understand our Prospectus before making your Application.
- (iii) Complete the **White Application Form** legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in our Prospectus, including:
 - (a) ensuring that your personal particulars submitted in your Application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any change to your personal particulars as the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository;
 - (a) stating your CDS Account number in the space provided in the **White Application Form**. Invalid or nominee or third-party CDS Accounts will **not** be accepted;
 - (b) stating the details of your payment in the appropriate boxes provided in the **White Application Form**; and
 - (c) stating the number of shares applied. Applications must be for at least 100 Issue Shares or multiples of 100 Issue Shares.

- (iv) Prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.84 for each IPO Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO. 642**” and crossed “**/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

Only Banker's Draft or Cashier's Order drawn on a bank in Kuala Lumpur, Money or Postal Orders (for applicants from Sabah and Sarawak only) and Guaranteed Giro Order from Bank Simpanan Nasional Malaysia Berhad will be accepted.

We will not accept Applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the **White Application Form**.

- (v) Insert the **White Application Form** together with payment and a legible photocopy of your identification document (NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable)) into the Official “A” envelope and seal it. You must write your name and address on the outside of the Official “A” and “B” envelopes.

Affix an RM1.50 stamp on the Official “A” envelope and insert the Official “A” envelope into the Official “B” envelope.

The name and address written must be identical to your name and address as in your NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) for individual applicant; or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

- (vi) Each completed **White Application Form**, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatch by **ORDINARY POST** in the official envelopes provided to the following address:

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

- (ii) or **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan

so as to arrive not later than **5.00 p.m.** on 24 June 2024 or by such other time and date specified in any change to the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your **White Application Forms** or Application monies. Please direct all enquiries in respect of the **White Application Form** to the Issuing House.

5. APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

5.1 Participating Financial Institutions

Only Malaysian individuals may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATMs of the following Participating Financial Institutions and their branches. The following processing fee for each Electronic Share Application will be charged by the respective Participating Financial Institutions (unless waived):

Participating Financial Institutions	Charges
Affin Bank Berhad	Free
Alliance Bank Malaysia Berhad	RM1.00
AmBank (M) Berhad	RM1.00
CIMB Bank Berhad	RM2.50
Malayan Banking Berhad	RM1.00
Public Bank Berhad	RM2.00
RHB Bank Berhad	RM2.50

Please note that these processing fees may be varied or waived from time to time at the discretion of the respective Participating Financial Institutions. Please contact the relevant Participating Financial Institutions for further enquiries.

5.2 Procedures for Electronic Share Application

The procedures for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR ELECTRONIC SHARE APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATMS CAREFULLY PRIOR TO MAKING AN ELECTRONIC SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Participating Financial Institutions.

You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our IPO Shares at an ATM belonging to other Participating Financial Institutions.

You are to submit at least the following information through the ATM, where the instructions on the ATM screen require you to do so:

- Personal Identification Number (“**PIN**”);
- MIH Share Issue Account No 642;
- Your CDS Account number;
- Number of IPO Shares applied for and the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in **Section 5.3** below.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or the Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

5.3 Terms and conditions for Electronic Share Application

You must have a CDS Account to be eligible to use the Electronic Share Application. Invalid, nominee or third-party CDS Accounts will not be accepted.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

- (i) The Electronic Share Application shall be made in relation to and subject to the terms of our Prospectus and our Constitution.
- (ii) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:
 - (a) you are at least 18 years old as at the date of the application for our IPO Shares;
 - (b) you are a Malaysian citizen residing in Malaysia;
 - (c) you have read our Prospectus and understood and agreed with the terms and conditions of the Application;
 - (d) the Electronic Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public; and
 - (e) you give consent to the disclosure by the relevant Participating Financial Institution and/ or Bursa Depository, as the case may be, of your information, your Electronic Share Application or your account with the Participating Financial Institution and Bursa Depository, to the Issuing House and other relevant authorities.

Your Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, it is considered that you have confirmed each of the above statements as well as given consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act 2013 and Section 45 of SICDA) to the disclosure by the relevant Participating Financial Institutions and/ or Bursa Depository, as the case may be, of your information to the Issuing House or any relevant authority.

- (iii) You confirm that you are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and your Electronic Share Application is made in your name, as the beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for our IPO Shares offered to the Malaysian Public.
- (iv) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application, to cover and pay for our IPO Shares and the relating processing fees, charges and expenses, if any, to be incurred, failing which your Electronic Share Application will not be deemed complete. Any Electronic Share Application which does not conform strictly to the instructions set out in our Prospectus or any instruction displayed on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.
- (v) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated in the Transaction Record or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot or allocate a lesser number of such IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation of the number of IPO Shares applied for (by your action of pressing the designated keys or buttons on the ATM keyboard) shall be deemed to signify, and shall be treated as:
 - (a) your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Electronic Share Application is successful or successful in part, as the case may be; and
 - (b) your agreement to be bound by our Constitution.
- (vi) The Issuing House, on the authority of our Board, reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.
- (vii) You request and authorise us:
 - (a) to credit our IPO Shares allotted or allocated to you into your CDS Account; and
 - (b) to issue share certificate(s) representing such IPO Shares or jumbo certificates which represent, amongst others, such IPO Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.
- (viii) You acknowledge that your Electronic Share Application is subject to risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of the Issuing House, Bursa Depository or the Participating Financial Institution, and irrevocably agree that if:
 - (a) our Company or the Issuing House does not receive your Electronic Share Application and/ or payment; or
 - (b) any data relating to your Electronic Share Application is wholly or partially lost, corrupted, or otherwise inaccessible, or not transmitted or communicated to our Company or the Issuing House,

you will be deemed not to have made an Electronic Share Application and will not make any claim whatsoever against our Company, the Issuing House and/ or the relevant Participating Financial Institution for our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

- (ix) All of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, the Issuing House and the relevant Participating Financial Institution, and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information, shall be entitled to rely on the accuracy thereof.
- (x) You must ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in your address, failing which the notification letter of successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.
- (xi) By making and completing an Electronic Share Application, you agree that:
 - (a) in consideration of us agreeing to allow and accept the application for our IPO Shares through the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;
 - (b) we, the Participating Financial Institutions, Bursa Depository and the Issuing House shall not be liable for any delay, failure or inaccuracy in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our or the control of any of them;
 - (c) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase our IPO Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said IPO Shares;
 - (d) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounee any instrument of transfer and other documents required for the issue or transfer of our IPO Shares allotted or allocated to you; and
 - (e) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and/ or the Electronic Share Application and/ or any terms of our Prospectus, all rights, obligations and liabilities of the parties shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (xii) the Issuing House, acting on the authority of our Board, reserves the right to reject Applications which do not conform to these instructions.

6. APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

6.1 Internet Participating Financial Institutions

Only Malaysian individuals may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions. The following processing fee for each Internet Share Application will be charged by the respective Internet Participating Financial Institutions (unless waived).

YOU ARE ADVISED NOT TO APPLY FOR OUR IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR AUTHORISED FINANCIAL INSTITUTION.

Internet Participating Financial Institution	Website address	Fees charged
Affin Bank Berhad	www.affinOnline.com	Free
Alliance Bank Malaysia Berhad	www.allianceonline.com.my	RM1.00
CGS International Securities Malaysia Sdn Bhd (Formerly known as CGS-CIMB Securities Sdn Bhd)	www.eipo.cgsi.com.my	RM2.00 for payment through CIMB Bank Berhad or Malayan Banking Berhad
Moomoo Securities Malaysia Sdn Bhd	www.moomoo.com/my	Free
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
Public Bank Berhad	www.pbepbank.com	RM2.00

Please note that these fees may be varied or waived from time to time at the discretion of the respective Internet Participating Financial Institutions or Authorised Financial Institution. Please contact the relevant Internet Participating Financial Institutions or Authorised Financial Institution for further enquiries.

PLEASE READ THE TERMS OF OUR PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR INTERNET SHARE APPLICATIONS SET OUT BELOW AND AT THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR AUTHORISED FINANCIAL INSTITUTION CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Internet Participating Financial Institutions or Authorised Financial Institution.

6.2 Terms and conditions for Internet Share Application

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR AUTHORISED FINANCIAL INSTITUTION.

An Internet Share Application shall be made on and subject to the following terms and conditions:

- (i) You can make an Internet Share Application if you fulfill all of the following:
 - (a) you are an individual with a CDS Account and in the case of a joint account, an individual CDS Account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS Account registered in the joint account holder's name;
 - (b) you have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution. You must have your user identification ("**User ID**") and Personal Identification Numbers ("**PIN**")/password for the relevant Internet financial services facilities; and
 - (c) you are a Malaysian citizen and have a mailing address in Malaysia.

You are advised to note that a User ID and PIN/password issued by one of the Internet Participating Financial Institutions or Authorised Financial Institution cannot be used to apply for our IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions or Authorised Financial Institution.

- (ii) An Internet Share Application shall be made on and subject to the terms of our Prospectus and our Constitution.
- (iii) You are required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution or Authorised Financial Institution) and to undertake that the following information given are true and correct:
 - (a) you are at least 18 years old as at the date of the application for our IPO Shares;
 - (b) you are a Malaysian citizen residing in Malaysia;
 - (c) you have read our Prospectus and understood and agreed with the terms and conditions of the Application;
 - (d) the Internet Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public;
 - (e) you authorise the Internet Participating Financial Institution or Authorised Financial Institution to deduct the full amount payable for our IPO Shares from your account with the Internet Participating Financial Institution or Authorised Financial Institution;

- (f) You give consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Service Act 2013 and Section 45 of SICDA) to the disclosure by the relevant Internet Participating Financial Institution, the Authorised Financial Institution and/ or Bursa Depository, as the case may be, of any of your particulars, your Internet Share Application or your account with the Internet Participating Financial Institution, the Authorised Financial Institution, the SC and any other relevant authorities;
 - (g) you are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and your Internet Share Application is made in your own name, as the beneficial owner and subject to the risks referred to in our Prospectus; and
 - (h) you authorise the Internet Participating Financial Institution or Authorised Financial Institution (as the case may be) to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution or Authorised Financial Institution (as the case may be), necessary for the provision of the Internet Share Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institution or Authorised Financial Institution (as the case may be) will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution or Authorised Financial Institution (as the case may be) in connection with the use of the Internet Share Application services.
- (iv) Your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our IPO Shares through the website of the Authorised Financial Institution or Authorised Financial Institution, and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of our Prospectus, “**Confirmation Screen**” shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for which you can print out for your records.

Upon the display of the Confirmation Screen, you will be deemed to have confirmed the truth of the statements set out in **Section 6.2(iii)** above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institution or Authorised Financial Institution (as the case may be) and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or the Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

- (v) You must have sufficient funds in your account with the relevant Internet Participating Financial Institution or the Authorised Financial Institution at the time of making your Internet Share Application, to cover and pay for our IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which your Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in our Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made will be rejected.
- (vi) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Internet Share Application. In the event that we decide to allot or allocate lesser number of such Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institution or Authorised Financial Institution (as the case may be), your confirmation of the number of IPO Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

- (a) your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and
 - (b) your agreement to be bound by our Constitution.
- (vii) You are fully aware that multiple or suspected multiple Internet Share Applications for our IPO Shares will be rejected. **A PERSON WHO SUBMITS MULTIPLE INTERNET SHARE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.** Our Issuing House, on the authority of our Board, reserves the right to reject any Internet Share Application or accept any Internet Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.
 - (viii) An Internet Share Application is deemed to be received only upon its completion, which is when the Confirmation Screen is displayed on the Internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for reference and record purposes. Late Internet Share Applications will not be accepted.

- (ix) You acknowledge that your Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, and other events beyond our control or the control of the Internet Participating Financial Institution, the Authorised Financial Institution, the Issuing House, Bursa Depository and our Company and irrevocably agree that if:
 - (a) our Company, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution do not receive your Internet Share Application and/ or payment; and
 - (b) any data relating to your Internet Share Application or the tape or any other devices containing such data and/or payment is wholly or partly lost, corrupted, destroyed or otherwise not accessible, and for any reason whatsoever,you will be deemed not to have made an Internet Share Application and you will not make any claim whatsoever against our Company, the Issuing House, the Internet Participating Financial Institution and/or the Authorised Financial Institution for our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.
- (x) All of your particulars in the records of the relevant Internet Participating Financial Institution at the time of making your Internet Share Application shall be deemed to be true and correct, and our Company, the Issuing House, the relevant Internet Participating Financial Institutions, the Authorised Financial Institution and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information, shall be entitled to rely on the accuracy thereof.
- (xi) You must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institution or Authorised Financial Institution (as the case may be) are correct and identical. Otherwise, your Internet Share Application will be rejected. You must inform Bursa Depository promptly of any change in your address, failing which the notification letter on successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.

7. AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

Your Application will be selected in a manner to be determined by our Board. Due consideration will be given to the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares. The Issuing House, on the authority of our Board, reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

- (iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest), by:
 - (a) ordinary post through the self-addressed and stamped Official "A" envelope which you have provided to the Issuing House;
 - (b) crediting into your bank account for the purposes of cash dividend/ distribution if you have provided such bank account information to Bursa Depository; or
 - (c) ordinary/ registered post to your registered or correspondence address last maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor will it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

8. OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of shares and the balloting results in connection therewith will be furnished on the Issuing House's website at www.mih.com.my within 1 business day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25% of our Company's issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of our IPO Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation as set out in Section 4.1.3 of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Joint Underwriters based on the terms of the Retail Underwriting Agreement.

9. UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:

9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/ registered post to your address as stated in the NRIC or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by ordinary post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institution or Internet Participating Financial Institution (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institution or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institution will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

10. SUCCESSFUL APPLICANTS

If you are successful in your Application:

- (i) Our IPO Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your registered or correspondence address last maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as prescribed securities. Consequently, our IPO Shares issued/ offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.
- (v) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to the applicant without any interest thereon. The refund will be credited into the applicant's bank account for purposes of cash dividend/distribution if the applicant have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to his address maintained with Bursa Depository if the applicant has not provided such bank account information to Bursa Depository, or by crediting into his account with the Electronic Participating Financial Institutions for applications made via the Electronic Share Application or by crediting into his account with the Internet Participating Financial Institutions for applications made via the Internet Share Application, within 10 Market Days from the date of final ballot of applications, at the applicant's own risk.

11. ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at telephone no. +6(03) 7890 4700
Electronic Share Application	Participating Financial Institution
Internet Share Application	The relevant Internet Participating Financial Institution and Authorised Financial Institution

You may also check the status of your Application by calling your respective ADA during office hours at the telephone number as set out in the list of ADAs Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of this Prospectus on the website of Bursa Securities or the Issuing House at the telephone no. (603) 7890 4700 between 5 to 10 Market Days (during office hours only) after the final ballot day.

12. LIST OF ADAS

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker Code
<u>KUALA LUMPUR</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	2 nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr. Ismail 60000 Kuala Lumpur Tel No : 03 – 7710 6688	068-009
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3 rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No : 03 – 2143 8668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A, Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel No : 03 – 9130 8803	068-021
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No : 03 – 2031 0102	086-001
BIMB SECURITIES SDN BHD	Level 32, Menara Multi Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel No : 03 – 2691 8887 / 2613 1600	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	3rd Floor, Lot 1511 & 1512 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel No : 03 – 9132 7424/7428/7429	065-001
FA SECURITIES SDN BHD	A-10-1 & A-10-17 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel No : 03 – 2288 1676	021-001
HONG LEONG INVESTMENT BANK BERHAD	Level 7, Menara HLA No. 3 Jalan Kia Peng 50450 Kuala Lumpur Tel No : 03 – 2168 1168	066-001

Name	Address and telephone number	Broker Code
HONG LEONG INVESTMENT BANK BERHAD	Mezzanine Floor Level 3A, Block B, HP Towers No. 12, Jalan Gelenggang 60000 Kuala Lumpur Tel No : 03 – 2080 8777	066-002
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No : 03 – 2083 1800	066-008
INTER-PACIFIC SECURITIES SDN BHD	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No : 03 – 2117 1888	054-001
INTER-PACIFIC SECURITIES SDN BHD	Ground Floor, 7-0-8, Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No : 03 – 7984 7796	054-003
INTER-PACIFIC SECURITIES SDN BHD	No. 33-1 (First Floor) Jalan Radin Bagus Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No : 03 – 9056 2921 / 9056 2922	054-007
KAF EQUITIES SDN BHD	11th-14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No : 03 – 2171 0228	053-001
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower, 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No : 03 – 2172 2888	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor West Wing ECM Libra Building 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No : 03 – 2089 2888	073-001
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 and 43-6 The Boulevard, Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Tel No : 03 – 2282 1820	057-002
MALACCA SECURITIES SDN BHD	No 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) Setapak 53300, Kuala Lumpur Tel No: 03 – 4144 2565	012-001

Name	Address and telephone number	Broker Code
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur Tel No : 03 – 2733 9782	012-001
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No.3, Jalan Bangsar KL ECO City 59200 Kuala Lumpur Tel No : 03 – 2201 2100	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No.1, Jalan Maarof 59000 Kuala Lumpur Tel No : 03 – 2297 8888	098-001
MAYBANK INVESTMENT BANK BERHAD	27, 31 to 33 Floor Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel No : 03 – 2059 1888	098-007
MERCURY SECURITIES SDN BHD	L-7-2, No. 2 Jalan Solaris Solaris Mont' Kiara 50480 Kuala Lumpur Tel No : 03 -6203 7227	093-002
PHILLIP CAPITAL SDN BHD	B-3-6, Block B, Level 3 Megan Avenue II No.12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel No : 03 – 2783 0361	076-001
PM SECURITIES SDN BHD	11th Floor, KH Tower No. 8, Lorong P. Ramlee 50250 Kuala Lumpur Tel No : 03 – 2054 8000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Menara Public Bank No. 6, Jalan Sultan Sulaiman 50000 Kuala Lumpur Tel No : 03 – 2268 3000	051-001
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No : 03 – 9280 2233/2354	087-001

Name	Address and telephone number	Broker Code
RHB INVESTMENT BANK BERHAD	Level 5, Tower One RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Tel No : 03 – 9280 2453	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1, 64 & 64-1, Vista Magna Jalan Prima, Metro Prima 52100 Kuala Lumpur Tel No : 03 – 6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No : 03 – 4280 4798	087-054
RHB INVESTMENT BANK BERHAD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No : 03 – 9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No : 03 – 2072 1277	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	N3, Plaza Damas 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No : 03 – 6205 6000	078-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 19th Floor Menara Keck Seng 203 Jalan Bukit Bintang 55100 Kuala Lumpur Tel No : 03 – 2147 1888	078-010

Name	Address and telephone number	Broker Code
<u>SELANGOR DARUL EHSAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B 3A1, East Wing 3Ath Floor Wisma Consplant 2 No. 7, Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03 – 5635 6688	068-010
AFFIN HWANG INVESTMENT BANK BERHAD	4th Floor, Wisma Meru 1 Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No : 03 – 3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No.79-1, Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No : 03 – 3322 1999	068-023
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7710 6613	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03 – 5631 7934/7892	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No : 03 – 3325 7105/7106	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No : 03 – 5891 6852	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st Floor, No. 26A(F), 26A(M) & 26A(B) Jalan SJ6, Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No : 03 – 6137 1680	065-001

Name	Address and telephone number	Broker Code
APEX SECURITIES BERHAD	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah 43000 Kajang Selangor Darul Ehsan Tel No : 03 – 8736 1118	079-001
APEX SECURITIES BERHAD	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7620 1118	079-002
KENANGA INVESTMENT BANK BERHAD	No. 55C, 2nd Floor Jalan USJ 10/1F 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No : 03 – 8024 1773	073-001
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7725 9095	073-001
KENANGA INVESTMENT BANK BERHAD	Level 1 East Wing Wisma Consplant 2 No. 7 Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03 – 5621 2118	073-001
KENANGA INVESTMENT BANK BERHAD	35 (Ground, 1st & 2nd Floor) Jalan Tiara 3, Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No : 03 – 3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No : 03 – 5636 1533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7876 1533	012-001
MAYBANK INVESTMENT BANK BERHAD	Wisma Bentley Music Level 1, No. 3, Jalan PJU 7/2 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7718 8888	098-004

Name	Address and telephone number	Broker Code
MAYBANK INVESTMENT BANK BERHAD	Suite 8.02, Level 8, Menara Trend Intan Millennium Square No. 68, Jalan Batai Laut 4 Taman Intan, 41300 Klang Selangor Darul Ehsan Tel No : 03 – 3050 8888	098-003
MIDF AMANAH INVESTMENT BANK BERHAD	Level 21, Menara MBSB Bank, PJ Sentral Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 2173 8888	026-001
PM SECURITIES SDN BHD	1st Floor, 157- A, Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No : 03 – 8070 0773	064-003
PM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No : 03 – 3341 5300	064-007
RHB INVESTMENT BANK BERHAD	24, 24M, 24A, 26M, 28M, 28A & 30 Jalan SS 2/63 47300 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7873 6366	087-011
RHB INVESTMENT BANK BERHAD	No. 37, Jalan Semenyih 43000 Kajang Selangor Darul Ehsan Tel No : 03 – 8736 3378	087-045
RHB INVESTMENT BANK BERHAD	First Floor, 10 & 11 Jalan Maxwell 48000, Rawang Selangor Darul Ehsan Tel No :03 – 6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1½, Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No : 03 – 3343 9180	087-048
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B Jalan USJ 10/1J USJ 10, 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No : 03 – 8022 1888	087-059

Name	Address and telephone number	Broker Code
SJ SECURITIES SDN BHD	Ground Floor, Podium Block Wisma Synergy Lot 72, Persiaran Jubli Perak Section 22, 40000 Shah Alam Selangor Darul Ehsan Tel No : 03 – 5192 0202	096-001
SJ SECURITIES SDN BHD	No. A-3-11 Block Alamanda 10 Boulevard Lebuhraya Sprint, PJU 6A 47400 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7732 3862	096-005
SJ SECURITIES SDN BHD	26, Jalan Pendaftar U1/54 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan Tel No : 03 – 5567 3000	096-001
TA SECURITIES HOLDINGS BERHAD	No. 2-1, 2-2, 2-3 & 4-2 Jalan USJ 9/5T, Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No : 03 – 8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA 1A Jalan SS20/1, Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No : 03 – 7729 5713	058-007
<u>MELAKA</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	Ground, 1st & 2nd Floor No. 191, Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No : 06 – 289 8800	065-001
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM9 Plaza Pandan Malim (Business Park) Balai Panjang 75250 Melaka Tel No : 06 – 337 1533	012-001
KENANGA INVESTMENT BANK BERHAD	71 (Ground, A&B) & 73 (Ground, A&B) Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06 – 2881 720	073-001

Name	Address and telephone number	Broker Code
KENANGA INVESTMENT BANK BERHAD	22A & 22A-1 and 26 & 26-1 Jalan MP 10 Taman Merdeka Permai 75350 Batu Berendam Melaka Tel No : 06 – 337 2550	073-001
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06 – 2921 898	093-003
PM SECURITIES SDN BHD	No 6-1, Jalan Lagenda 2, Taman 1 Lagenda, 75400 Melaka Tel No : 06 – 288 0050	064-006
RHB INVESTMENT BANK BERHAD	579, 580 & 581, Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06 – 282 5211	087-026
TA SECURITIES HOLDINGS BERHAD	59, 59A, 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No : 06 – 286 2618	058-003
UOB KAY HIAN SECURITIES (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No : 06 – 335 2511	078-014
<u>PERAK DARUL RIDZUAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	21, Jalan Stesen Ground Floor, 1, 2 & 3 34000 Taiping Perak Darul Ridzuan Tel No : 05 – 806 6688	068-003
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No : 05 – 208 8688	065-001
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No : 05 – 2530 888	066-003

Name	Address and telephone number	Broker Code
KENANGA INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 4th Floor No. 63 Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No : 05 – 242 2828	073-022
M & A SECURITIES SDN BHD	5th and 6th Floor and Unit 8A M&A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No : 05 – 241 9800	057-001
MALACCA SECURITIES SDN BHD	No 3, 1st Floor, Persiaran Greenhill 30450, Ipoh Perak Darul Ridzuan Tel No: 05 – 254 1533 / 254 1577	012-013
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2 42 Persiaran Greentown 1 Pusat Dagangan Greentown 30450 Ipoh Perak Darul Ridzuan Tel No : 05 – 245 3400	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2 Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No : 05 – 623 6498	087-014
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 23 & 25 Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No : 05 – 692 1228	087-016
RHB INVESTMENT BANK BERHAD	Unit E-2-2A, E-3-2A, E-4-2A & E-5-2A SOHO Ipoh 2, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No : 05 – 241 5100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor, No. 40, 42 & 44 Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No : 05 – 808 8229	087-034
RHB INVESTMENT BANK BERHAD	No 1&3, 1st Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No : 05 – 717 0888	087-052

Name	Address and telephone number	Broker Code
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No : 05 – 253 1313	058-001
UOB KAY HIAN SECURITIES (M) SDN BHD	153A Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No : 05 – 241 1290	078-002
<u>PULAU PINANG</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Pulau Pinang Tel No : 04 – 2636996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No : 04 – 5372882	068-006
AMINVESTMENT BANK BERHAD	3rd Floor, Menara Liang Court 37, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No : 04 – 2261818	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	Level 2, Menara BHL, 51, Jalan Sultan Ahmad Shah, 10050 Pulau Pinang Tel No : 04 – 2385900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Pulau Pinang Tel No : 04 – 6412 881	065-001
INTER-PACIFIC SECURITIES SDN BHD	Canton Square Level 2 (Unit 1) & Level 3 No 56. Cantontment Road 10250 Pulau Pinang Tel No : 04 – 2268288	054-002
APEX SECURITIES BERHAD	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Pulau Pinang Tel No : 04 – 2289118	079-005

Name	Address and telephone number	Broker Code
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead Penang 39, Jalan Sultan Ahmad Shah 10050 Pulau Pinang Tel No : 04 – 228 3355	073-023
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Pulau Pinang Tel No : 04 – 506 0967	012-001
MALACCA SECURITIES SDN BHD	No 17, 1st Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Pulau Pinang Tel No : 04 – 642 1533	012-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Bangunan KWSP No. 38, Jalan Sultan Ahmad Shah 10050 Georgetown, Pulau Pinang Tel No : 04 – 219 6888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor Wisma UMNO Lorong Bagan Luar Dua 12000 Butterworth, Seberang Perai Pulau Pinang Tel No : 04 – 332 2123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor, Standard Chartered Bank Chambers 2, Lebuhr Pantai 10300 Pulau Pinang Tel No : 04 – 263 9118	093-004
MERCURY SECURITIES SDN BHD	D'Piazza Mall 70-1-22 Jalan Mahsuri 11900 Bandar Bayan Baru Pulau Pinang Tel No : 04 – 640 0822	093-006
PHILLIP CAPITAL SDN BHD	29A, Ground Floor Beach Street 10300 Penang Tel No : 04 – 261 6363	076-015
PM SECURITIES SDN BHD	56B, 1 st Floor Jalan Perak, Perak Plaza 10150 Pulau Pinang Tel No : 04 – 2273 000	064-004

Name	Address and telephone number	Broker Code
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Pulau Pinang Tel No : 04 – 390 0022	087-005
RHB INVESTMENT BANK BERHAD	64 & 64-D Ground Floor-3rd Floor & 5th-8th Floor Lebuh Bishop 10200 Pulau Pinang Tel No : 04 – 263 4222	087-033
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-1-5, 15-1-6, 15-2-5, 15-2-6 & 15-2-24 Medan Kampung Relau (Bayan Point) 11950 Pulau Pinang Tel No : 04 – 640 4888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan No. 171, Jalan Burmah 10050 Pulau Pinang Tel No : 04 – 227 2339	058-010
UOB KAY HIAN SECURITIES (M) SDN BHD	1st Floor, Bangunan Heng Guan 171 Jalan Burmah 10050 Pulau Pinang Tel No : 04 – 229 9318	078-002
UOB KAY HIAN SECURITIES (M) SDN BHD	21, Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel No : 04 – 504 7313/7316	078-003
<u>PAHANG DARUL MAKMUR</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	Ground, 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No : 09 – 505 7800	065-001
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No : 09 – 517 1698	073-001
MALACCA SECURITIES SDN BHD	P11-3, Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No : 09 – 222 0993	012-001

Name	Address and telephone number	Broker Code
PHILLIP CAPITAL SDN BHD	Ground, Mezzanine & 1st Floor B400, Jalan Beserah 25300 Kuantan Pahang Darul Makmur Tel No : 09 – 566 0800	076-002
RHB INVESTMENT BANK BERHAD	No. 12 Ground Floor, 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel No : 09 – 517 3811	087-007
<u>KELANTAN DARUL NAIM</u>		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	Level 4 Wisma TCH Jalan Pengkalan Chepa 15400 Kota Bharu Kelantan Darul Naim Tel No : 09 – 741 9050/9051/9052/9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H, Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No : 09 – 743 0077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No : 09 – 7432 288 / 3388	058-004
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No : 09 – 747 3906	078-004

Name	Address and telephone number	Broker Code
<u>TERENGGANU DARUL IMAN</u>		
PHILLIP CAPITAL SDN BHD	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Tel No : 09 – 6317 922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor, 59 Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No : 09 – 626 1816	087-055
UOB KAY HIAN SECURITIES (M) SDN BHD	37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No : 09 – 622 4766	078-016
<u>KEDAH DARUL AMAN</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70 & 70A, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No : 04 – 425 6666	068-011
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	2nd Floor, No. 102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No : 04 – 777 4400/4401	065-001
MALACCA SECURITIES SDN BHD	No. 9, First Floor Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No : 04 – 735 0888	012-001
PHILLIP CAPITAL SDN BHD	Lot T-30, 2nd Floor, Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No : 04 – 731 7088/8270	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor, 214-A, 214-B, 215-A & 215-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No : 04 – 720 9888	087-021

Name	Address and telephone number	Broker Code
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 4, 5 & 5A, 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No : 04 – 732 2111	078-007
<u>NEGERI SEMBILAN DARUL KHUSUS</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 29G, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No : 06 – 603 7408	068-007
AFFIN HWANG INVESTMENT BANK BERHAD	6, Upper Level, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No : 06 – 455 3188	068-013
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st Floor, No 21, Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No : 06 – 455 3166/3266	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No : 06 – 651 5385	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	Level 2 Wisma Dewan Perniagaan Melayu Negeri Sembilan Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06 – 761 4651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, Ground & 1st Floor Jalan Tunku Munawir 70000 Seremban, Negeri Sembilan Tel No : 06 – 765 5998	073-001
MAYBANK INVESTMENT BANK BERHAD	Wisma HM No. 43, Jalan Dr Krishnan 70000 Seremban Negeri Sembilan Tel No : 06 – 766 9555	098-005
PM SECURITIES SDN BHD	1st-3rd Floor 19-21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06 – 762 3131	064-002

Name	Address and telephone number	Broker Code
PM SECURITIES SDN BHD	Ground & 1st Floor No. 3, Jalan Dato Abdullah 71200 Kuala Klawang Negeri Sembilan Darul Khusus Tel No : 06 – 613 7767	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33, Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No : 06 – 764 1641	087-024
<u>JOHOR DARUL TAKZIM</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No : 07 – 222 2692	068-004
ALLIANCE INVESTMENT BANK BERHAD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No : 07 – 771 7922	076-006
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No : 07 – 434 2282	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	No 73, Ground Floor No 73A & 79A, First Floor Jalan Kuning Dua, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07 – 340 5888	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No : 07 – 232 9673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No : 07 – 931 1509/1523	065-001

Name	Address and telephone number	Broker Code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No : 06 – 976 4559/4560	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st Floor No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No : 07 – 353 7669/7959	065-001
INTER-PACIFIC SECURITIES SDN BHD	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No : 07 – 223 1211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07 – 333 3600	073-004
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 4, Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No : 06 – 978 2292	073-001
KENANGA INVESTMENT BANK BERHAD	57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No : 06 – 953 1222	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor No. 234, Jalan Besar Taman Semberong Baru 83700 Yong Peng Johor Darul Takzim Tel No : 07 – 467 8885	073-001
KENANGA INVESTMENT BANK BERHAD	916, Ground Floor Jalan Bakek 82000, Pontian Johor Darul Takzim Tel No : 07 – 686 1121	073-001
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07 – 338 1233	057-003

Name	Address and telephone number	Broker Code
MALACCA SECURITIES SDN BHD	No. 74, Jalan Serampang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07 – 335 1533	012-001
MALACCA SECURITIES SDN BHD	1735-B, Jalan Sri Putri 4 Taman Putri Kulai 81000 Kulaijaya Johor Darul Takzim Tel No : 07 – 663 8877	012-001
MALACCA SECURITIES SDN BHD	Lot 880, 3 ½ Mile Jalan Salleh 84000 Muar Johor Darul Takzim Tel No : 06 – 9536 948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No : 07 – 331 6992	093-005
PM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No : 07 – 433 3608	064-008
RHB INVESTMENT BANK BERHAD	6th Floor, Wisma Tiong-Hua 8, Jalan Keris, Taman Sri Tebrau 80050 Johor Bahru Johor Darul Takzim Tel No : 07 – 278 8821	087-006
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B, Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No : 07 – 438 0288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st & 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No : 06 – 953 8262	087-025
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No : 07 – 557 7628	087-029

Name	Address and telephone number	Broker Code
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No : 07 – 932 1543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40 Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No : 07 – 776 9655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No : 07 – 662 6288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor, No. 21 & 23 Jalan Molek 1/30, Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No : 07 – 352 2293	087-043
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No : 07 – 943 5278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81000 Johor Bahru Tel No : 07 – 364 7388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Tel No : 07 – 3364672	058-013
UOB KAY HIAN SECURITIES (M) SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum 80300 Johor Bahru Johor Darul Takzim Tel No : 07 – 333 2000	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No : 07 – 663 5651	078-001

Name	Address and telephone number	Broker Code
UOB KAY HIAN SECURITIES (M) SDN BHD	70 Jalan Rosmerah 2/17 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No : 07 – 351 3218	078-001
UOB KAY HIAN SECURITIES (M) SDN BHD	171 Ground Floor Jalan Bestari 1/5 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim Tel No : 07 – 512 1633	078-008
<u>SARAWAK</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Ground Floor & 1st Floor No. 1, Jalan Pending 93450 Kuching Sarawak Tel No : 082 – 34 1999	068-005
AMINVESTMENT BANK BERHAD	1st , 2nd, & 3rd Floor, No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel No : 082 – 24 4791	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibul Sarawak Tel No : 084 – 367 700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	Level 1 (North), Wisma STA 26 Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No : 082 – 35 8688	065-001
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No : 085 – 43 5577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93100 Kuching Sarawak Tel No : 082 – 33 8000	073-001
KENANGA INVESTMENT BANK BERHAD	11-12, Ground & 1st Floor Lorong Kampung Datu 3 96000 Sibul Sarawak Tel No : 084 – 31 3855	073-001

Name	Address and telephone number	Broker Code
MERCURY SECURITIES SDN BHD	1st Floor 16, Jalan Getah 96100 Sarikei Sarawak Tel No : 084 – 65 6281	093-001
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2 nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel No : 082 – 250 888	087-008
RHB INVESTMENT BANK BERHAD	No. 102, Pusat Pedada Jalan Pedada 96000 Sibul Sarawak Tel No : 084 – 32 9100	087-008
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Parkcity Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No : 086 – 31 1770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibul Sarawak Tel No : 084 – 31 9998	058-002
UOB KAY HIAN SECURITIES (M) SDN BHD	Lot 1265, 1st Floor Centre Point Commercial Centre Jalan Melayu 98000, Miri Sarawak Tel No : 085 – 32 4128	078-017
UOB KAY HIAN SECURITIES (M) SDN BHD	Ground & 1st Floor No 16, Lorong Intan 6 96000 Sibul Sarawak Tel No : 084 – 25 2737	078-018

Name	Address and telephone number	Broker Code
<u>SABAH</u>		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite 1-9-E1, 9th Floor CPS Tower Centre Point Sabah No. 1, Jalan Centre Point 88000 Kota Kinabalu Sabah Tel No : 088 – 31 1688	068-008
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st & 2nd Floor Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No : 088 – 32 8878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD (Formerly known as CGS-CIMB Securities Sdn Bhd)	1st Floor, Lot 12 Block A3, Phase 2 Utama Place Mile 6, Northern Road 90000 Sandakan Sabah Tel No : 089 – 21 5578	065-001
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No : 088 – 23 6188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor 81 & 83, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No : 088 – 26 9788	087-010
UOB KAY HIAN SECURITIES (M) SDN BHD	11, Equity House, Block K Sadong Jaya, Karamuning 88100 Kota Kinabalu Sabah Tel No : 088 – 23 4090	078-011