Company No. 200901041184 (884334-W)

Applicants are advised to read and understand the contents of this Prospectus and Trust Deed (available for inspection) pertaining to the Scheme before deciding to purchase the Grower's Plot in Golden Agro Growers Scheme. Applicants are advised to do their own evaluation to assess the merits and risks of the investment. Applicants who are in any doubt as to the action to be taken should consult a professional advisor, when considering the investment.

PROSPECTUS

Golden Agro Growers Scheme

Golden Agro Plantation (Mukah) Berhad

(Company No. 200901041184 / 884334-W)
(Incorporated in Malaysia under the Companies Act, 1965)

PROSPECTUS ISSUED PURSUANT TO SECTION 28 OF THE INTEREST SCHEMES ACT, 2016 AND THE POLICY GUIDELINES AND REQUIREMENTS ISSUED BY THE REGISTRAR OF COMPANIES, MALAYSIA IN RESPECT OF AN OFFER FOR SALE OF GROWER'S PLOTS IN GOLDEN AGRO GROWERS SCHEME.

APPLICANTS ARE ENTITLED TO WITHDRAW HIS/HER APPLICATION WITHOUT ANY DEDUCTION OR PENALTY WITHIN A COOLING-OFF PERIOD OF TEN (10) CONSECUTIVE DAYS COMMENCING FROM THE DAY THE APPLICATION FORM FOR THE PURCHASE OF GROWER'S PLOT(S) IS LODGED WITH GOLDEN AGRO PLANTATION (MUKAH) BERHAD.

THIS PROSPECTUS IS DATED 1 NOVEMBER 2026
AND SHALL EXPIRE ON 31 OCTOBER 2027

A copy of this Prospectus has been lodged with and registered by the Registrar of Companies, Malaysia, who takes no responsibility for its contents.
Registration of the Prospectus by the Registrar of Companies does not imply that the Interest Schemes Act 2016 or any other legal or regulatory requirements have been complied with.

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DEFINITIONS AND INTERPRETATION

In this Prospectus, except where the context requires otherwise, the following words and expressions shall have the following meanings:

"Applicant"	means such person who has submitted the prescribed Application Form to the Management Company to acquire a Grower's Plot(s);
"Application Form"	means the Management Company's prescribed application form to be submitted by the Applicant for the purpose of acquiring a Grower's Plot(s);
"Auditor"	means an auditor who shall be an approved company auditor within the meaning prescribed under the Companies Act, appointed pursuant to the Trust Deed;
"Business Day"	means a day (other than Saturday, Sunday or public holiday in Kuala Lumpur) on which banks are open for business in Kuala Lumpur;
"Business Office"	means the business office of the Management Company at 1st & 2nd Floor, No.2, Jalan Unggas, Lorong 2, 96000 Sibu, Sarawak;
"Commencement Date"	means the date of commencement of the respective Grower's Management Agreement being the date stated in **Clause 4.1(d)** hereto;
"Companies Act"	means the Malaysian Companies Act, 2016;
"Cooling-Off Period"	means a period of ten (10) days after the date on which the Applicant submits the Application Form to the Management Company during which period the Applicant may withdraw or rescind the application without any deduction or penalty;
"Cost of Production"	means the cost of production for the oil palm, that includes the cost of harvesting and collecting the oil palm fruits and upkeep maintenance, and administration expenses of the Plantation;
"Court"	means the High Court of Malaya;
"Extraordinary Resolution"	means a resolution passed at a meeting of Growers duly convened and held in accordance with the provisions of **Clause 9** and carried by a majority consisting of not less than three quarters (3/4) of the Growers voting thereat by a show of hands or if a poll is demanded by a majority consisting of not less than three quarters (3/4) in number of the votes given on each poll;

"FFB Sales"	means the amount in RM, that can be obtained from the oil palm fruits, based on the fresh fruit bunch output;
"Gazette"	means the official Gazette of the Federation of Malaysia and includes supplements thereto as defined in Section 66 of the Interpretations Acts 1948 and 1967;
"Gross Profit"	means the amount after deducting the Cost of Production from the FFB Sales;
"Grower"	means a person who has acquired a Grower's Plot(s) and is registered as a holder of a Grower's Plot(s) in the Register of Growers and includes the Management Company for so long as the Management Company holds a Grower's Plot;
"Grower's Certificate"	means the certificate of ownership issued by the Management Company to the Grower with respect to his Grower's Plot(s) in accordance with the provisions of the Trust Deed;
"Grower's Fee"	means the fee payable by the Grower to the Management Company for a Grower's Plot, under **Clause 3.3** hereto;
"Grower's Fee Trust Account"	means the trust account by that name to be opened by the Trustee pursuant to **Clause 7.4(a)(i)** hereto;
"Grower's Management Agreement"	means the agreement entered or to be entered into between the Management Company and Grower in respect of the Scheme
"Grower's Plot or Grower's Plots"	means a quarter (1/4) acre of the Plantation in respect of which the Grower has paid the Grower's Fee in consideration of which the Grower has obtained a *profit-à-prendre* interest in the Scheme, which entitles the Grower to the Net Profit;
"Harvest Phase"	means the period commencing on the first day of the 6th year from the Launch Date and ending on the Maturity Date;
"Independent Consultant"	means DURIO PALM SDN. BHD.;
"Initial Launch"	means the first launch of the Grower's Plots by the Management Company;
"**Interest Schemes Act**"	means the Interest Schemes Act, 2016 and any regulations enacted thereunder and any amendment thereof or substitution therefore.

"Land"	means the piece of land measuring approximately 5,096 hectares (equivalent to 12,587 acres) held under Lot No. 3, Block/Section No.2, Baoh Land District, Mukah Division, State of Sarawak, of which the Plantation is part, which is owned by the Management Company;
"Launch Date"	means 12 November 2012, being the date of the first Prospectus in respect of the Scheme;
"Management Company"	means Golden Agro Plantation (Mukah) Berhad (Company No. 200901041184 / 884334-W);
"Management Fee"	means the fee amounting to five percent (5%) of the Gross Profit or such other amount as may be prescribed by the Management Company from time to time, payable each year by the Grower under **Clause 3.3(c)** hereto, commencing on the first day of the 6th year from the Launch Date for as long as the Grower's Management Agreement is not terminated, or for the duration of the Scheme, whichever shall be the longer. The Management Fee shall be deducted by the Management Company from the Gross Profit before distribution as the Net Profit to the Grower;
"Marketing Company"	means such party (if any) that may be appointed by the Management Company, with prior consent of the Registrar of Companies, as its agent to promote and/or sell the Grower's Plots upon such terms and conditions as shall be agreed upon between the Management Company and the Marketing Company;
"Maturity Date"	means the date upon which the Scheme shall expire, being the day ending on the date of the expiry of the twentieth (20th) year from the Launch Date;
"Minister"	means the Minister charged with the responsibility for companies as defined in the Interest Schemes Act and Companies Act;
"Net Profit"	means the amount payable to the Grower, less the annual Management Fee, and referred to in **Clause 3.4** hereto;
"Plantation"	means the 4,228 hectares (equivalent to 10,443 acres) forming part of the Land designated and demarcated by the Management Company for the Scheme;
"Planting Phase"	means the period commencing on the Launch Date and ending on the date of the expiry of the 5th year from the Launch Date;
"Prospectus"	means the statement issued pursuant to Section 28 of the Interest Schemes Act;

"Register of Growers"	means the register of the holders of Grower's Plots established and maintained by the Management Company in accordance with the provisions of the Trust Deed;
"Registrar of Companies"	means the Registrar of Companies as designated under Section 20A of the Companies Commission of Malaysia Act 2001;
"Reserve Fund Trust Account"	means the trust account by that name to be opened by the Trustee pursuant to **Clause 7.4(a)(ii)** hereto;
"Reserved Grower's Plots"	means the 12,532 Grower's Plots (being approximately 30% of the total 41,772 Grower's Plots) that are held by the Management Company and referred to in **Clause 3.2** hereto;
"Rules"	means the rules and regulations of the Scheme made in accordance with the Grower's Management Agreement (as amended from time to time);
"RM"	means Ringgit Malaysia being the lawful currency of Malaysia;
"Scheme"	means the oil palm growers' scheme known as **Golden Agro Growers Scheme** established pursuant to the Interest Schemes Act**;**
"Term"	means the term commencing on the Commencement Date and expiring on the Maturity Date;
"Trust Deed"	means the trust deed dated 1 November 2012 entered into between the Management Company, the Trustee and the Growers (as amended from time to time);
"Trustee"	means My Premier Trustee (Malaysia) Berhad (Company No. 200501037247 / 719395-T) a company incorporated in Malaysia and registered as a trust company pursuant to the Trust Companies Act, 1949 and includes the trustee for the time being of the Scheme whether original, additional or substituted;
"Trustee's Fees"	means the fee payable to the Trustee pursuant to **Clause 7.3** for the services rendered by the Trustee.

1. INTRODUCTION TO THE PROSPECTUS

1.1 Prospectus

This Prospectus dated 1 November 2026 is issued by the Management Company and shall remain valid for a period of twelve (12) months from the date hereof and is applicable for Grower's Plots in the Golden Agro Growers Scheme to be sold by the Management Company.

A copy of this Prospectus has been lodged with the Registrar of Companies who takes no responsibility for its contents and is obtainable at the Business Office of the Management Company during office hours.

1.2 Legislation

The principal legislation governing the establishment and operation of share farming schemes in Malaysia is the Interest Schemes Act which inter alia requires any developer or operator of such schemes intending to offer for sale, any "interest" in a share farming scheme to the public to comply with the requirements of the Interest Schemes Act and the policy guidelines issued by the Registrar of Companies in respect of share farming interests.

1.3 Approval of Scheme and Initial Maximum Number of Grower's Plots

The Management Company is developing and operating the Plantation for the Scheme. In relation thereto, the Management Company intends to offer for sale to members of the public, interests under the Interest Schemes Act known as "**Grower's Plot(s)**" in respect of which the Grower pays the Grower's Fee to the Management Company and in consideration of which the Grower shall be entitled to obtain a *profit-à-prendre* interest in the Grower's Plot(s) whereby the Grower shall be entitled to receive the Net Profit annually during the Term, commencing on the Commencement Date and expiring on the Maturity Date, in accordance with the terms and conditions contained in the Trust Deed, Grower's Management Agreement and the Rules.

The Registrar of Companies has approved the Scheme and the creation of 41,772 Grower's Plots (hereinafter referred to as "**the Initial Maximum Number of Grower's Plots**"), derived from the 10,443 acres of the Plantation (at four Grower's Plots per acre). The Management Company initially proposes to offer for sale Grower's Plots in relation to 70% of the Initial Maximum Number of Grower's Plots (which is equivalent to 29,240 Grower's Plots). The Management Company will retain the remaining 30% of the Initial Maximum Number of Grower's Plots (which is equivalent to 12,532 Grower's Plots) and may only offer for sale the 12,532 Grower's Plots in future, subject to the approval of the Registrar of Companies.

2. CORPORATE INFORMATION

2.1 Management Company

a) History of the Management Company

The Management Company was incorporated in Malaysia under the Companies Act on 30 December 2009 as a private limited company under the name of Sun White Resources Sdn Bhd. On 9 November 2011 the Management Company changed its name to Golden Agro Plantation (Mukah) Sdn Bhd. Subsequently, on 23 November 2011, the Management Company was converted to a public company under the name **Golden Agro Plantation (Mukah) Berhad**.

The Management Company's principal activities are developing oil palm plantations, carrying on oil palm plantation activities and operating and managing oil palm plantations and the Scheme.

The Management Company is a public company of limited liability, currently with an authorised, issued and paid-up capital of Ringgit Malaysia Five Million (RM5,000,000.00) only consisting of five million (5,000,000) ordinary shares of Ringgit Malaysia One (RM1.00) each. As at the date of the Trust Deed, the Management Company is a wholly-owned subsidiary of Golden Agro Plantation Sdn Bhd (Company No. 201001040964 / 924889-H).

b) Corporate Information on the Management Company

Directors

Name	***Address***	***Occupation***
Dato' Lim Kim Huat	No. 96, Jalan Setiamurni 6 Damansara Heights 50490 Kuala Lumpur	Company Director
Lester Lim Shen Yong	No. 96, Jalan Setiamurni 6 Damansara Heights 50490 Kuala Lumpur	Company Director

Chief Executive Officer

Name	***Address***	***Occupation***
Dato' Lim Kim Huat	Block D4-U2-10, Level 2 Solaris Dutamas No. 1 Jalan Dutamas 1 50480 Kuala Lumpur Tel.: 03 - 62078186 Fax.: 03 - 62078286 Email: ceo@gapgrowers.com.my	Chief Executive Officer

Key Management Team

Name	***Address***	***Occupation***
Lai Nan Foh	1st & 2nd Floor, No.2 Jalan Unggas, Lorong 2 96000 Sibu Sarawak Tel: 019-7191776	Senior Manager, Audit & Operation
Nicholas Siaw Wen Yau	- As above -	Senior Manager, Finance and Administration
Lau Tzy Ting	- As above -	Accountant

Company Secretary

Name	***Address***	***Occupation***
Wong Mee Kiat (MAICSA 7058813)	Level 7, Mercu 3 No. 3, Jalan Bangsar KL Eco City 59200 Kuala Lumpur, Malaysia	Company Secretary
Nurfarhana Husainy Binti Azahar (LS0010410)	B-31-13A, Residensi Kepongmas No.7, Jalan Metro Perdana Barat Taman Metropolitan 52100 Kepong W.P. Kuala Lumpur, Malaysia	Company Secretary
Lim Yen Teng (LS0010182)	66 Jalan Wan Empok 2 Sri Petaling 57000 Kuala Lumpur, Malaysia	Company Secretary

Shareholder

Name	***Address***	***Percentage of Shareholding***
Golden Agro Plantation Sdn. Bhd.	Level 7, Mercu 3 No.3 Jalan Bangsar KL Eco City 59200 Kuala Lumpur, Malaysia	100%

Registered Office

Level 7, Mercu 3
No.3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur, Malaysia

Business Office and Place of Register of Growers

1st & 2nd Floor, No.2
Jalan Unggas, Lorong 2
96000 Sibu, Sarawak

Solicitors

C.K.Cheong & Seow
Advocates & Solicitors
B4-6, Block B, Sri Damansara Courts
Persiaran Kenanga
Bandar Sri Damansara
52200 Kuala Lumpur

Trustee

My Premier Trustee (Malaysia) Berhad
21-9, Office Suites, 1 Mont' Kiara
No.1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur

Auditors and Reporting Accountants

Crowe Malaysia PLT
1st Floor, No. 1, Lorong Pahlawan 7A2
Jalan Pahlawan
96000 Sibu, Sarawak
Tel: 084 211 777

Independent Consultant

Durio Palm Sdn. Bhd.
No. 68, Persiaran Pakatan Jaya 12
Taman Pakatan Jaya
31150 Ulu Kinta Perak

c) Corporate Profile of the Board of Directors and Key Management Team of the Management Company

Directors

Dato' Allan Lim Kim Huat

Dato' Allan Lim Kim Huat, Malaysian, is the Executive Chairman of Widetech (Malaysia) Berhad and the Managing Director of Ablegroup Berhad.

He is a certified public accountant by profession and is a member of the Malaysian Institute of Certified Public Accountants. He started his career with PricewaterhouseCoopers in Kuala Lumpur in 1980 before moving on to the commercial sector. He was Deputy Executive Chairman for Sunrise Berhad from 2004 to 2012. Through his involvement as senior management personnel with various companies in Malaysia, Dato' Allan Lim has extensive exposure and experience in diverse industries such as manufacturing, trading, property development, leisure and entertainment and food services.

Lester Lim Shen Yong

Lester Lim Shen Yong, Malaysian, holds a Bachelor of Science in Biological Sciences from Stanford University, Stanford, California, USA. He is involved in the running of day-to-day operations of the Management Company.

Key Management Team

Chief Executive Officer - Dato' Allan Lim Kim Huat

As above.

Senior Manager – Lai Nan Foh

Mr.Lai joined the Company as Audit Manager on March 2017 and was promoted to Senior Manager of Operations on January 2020. He holds a Bachelor of Agricultural Science from University Putra Malaysia.

Mr Lai has 17 years of extensive experience in oil palm plantation, starting his career with J.C.Chang Group as Cadet Planter in Maran, Pahang. Prior to joining the Company, he was Senior Assistant Manager of Internal Audit for Genting Plantation Berhad wherein he was responsible for company's Internal Audit function.

Senior Manager, Finance and Administration – Nicholas Siaw Wen Yau

Mr. Nicholas Siaw Wen Yau was appointed as Senior Manager, Finance and Administration of the Company on 23 February 2026. He is a member of the Association of Chartered Certified Accountants and the Malaysian Institute of Accountants.

He began his career in 2012 with Ta Ann Holdings Berhad as an Account Assistant, where he assisted in group consolidation and costing reports. In 2016, he joined Subur Tiasa Holdings Berhad as an Accountant responsible for the timber division's accounting functions. In 2018, he joined GAP Oil Mill Sdn Bhd as an Accountant overseeing the accounting functions of the oil mill and oil palm plantation operations.

In 2022, he rejoined Subur Tiasa Holdings Berhad as Assistant Manager, where he led the oil palm segment finance team and was involved in company tax planning, as well as financial audit assignments under the internal audit department. In 2025, he joined PMG Healthcare Sdn Bhd as Account Receivable & Payable Manager, overseeing the group's receivable and payable functions.

He has approximately 14 years of experience in financial reporting, taxation, internal audit, budgeting and cost management across the timber, plantation and manufacturing sectors.

Accountant – Lau Tzy Ting

Mr Lau was appointed as Accountant of the Management Company on 1 May 2014. He graduated with a Diploma in LCCI Accounting and a Bachelor Degree in Information Technology (IT) with honours from University Malaysia of Sarawak. He started his career with Hii King Hiong & Co. as an Auditor in 2007.

In 2008 he joined Ta Ann Plywood Sdn Bhd - Oil Palm Division as an Account Assistant. In 2010 he was transferred to Ta Ann Pelita Durin Plantation Sdn Bhd as an Account Officer. He was a Junior Account Manager for Ta Ann Pelita Silas Plantation Sdn Bhd in 2012 prior to joining the Management Company.

3. DETAILS OF THE GOLDEN AGRO GROWERS SCHEME

3.1 Nature of Scheme

The Scheme is an oil palm share farming interest scheme, wholly owned, managed and operated by the Management Company which is established pursuant to the Interest Schemes Act, to offer for sale to members of the public, Grower's Plot(s) in respect of which the Grower pays the Grower's Fee to the Management Company and in consideration of which the Grower shall be entitled to obtain a *profit-à-prendre* interest in the Grower's Plot(s) whereby the Grower shall be entitled to receive the Net Profit annually during the Term, commencing on the Commencement Date and expiring on the Maturity Date, in accordance with the terms and conditions of the Trust Deed, the Grower's Management Agreement and the Rules.

3.2 Number of Grower's Plots and Reserved Grower's Plots

a) The initial maximum number of Grower's Plots created as at the Launch Date is 41,772 Grower's Plots being the Initial Maximum Number of Grower's Plots, derived from 10,443 acres of the Plantation.

b) The maximum number of Grower's Plots created shall not exceed the area of the Plantation (in number of acres) for the Scheme multiplied by four (4) Grower's Plots per acre representing the maximum number of Grower's Plots.

c) The Management Company shall offer only 29,240 Grower's Plots (being approximately 70% of the Initial Maximum Number of Grower's Plots) to the public at the Launch Date.

d) The Management Company shall retain the Reserved Grower's Plots numbering 12,532 Grower's Plots (being approximately 30% of the Initial Maximum Number of Grower's Plots). The Reserved Grower's Plots may only be released for sale to the public subject to the approval of the Registrar of Companies.

e) As at 2 October 2026, the total number of Grower's Plots which have been sold/issued to the public by the Management Company is 508 with a balance of 28,732 Grower's Plots remaining available for sale.

Maximum number of Grower's Plots	Number of Grower's Plots offered to the public	Grower's Fee for each Grower's Plot	Number of Grower's Plots sold as at 3-10-2025	Movement	Number of Grower's Plots sold as at 2-10-2026	Balance Grower's Plots available for sale
41,772	29,240	RM8,000.00	545	(37)	508	28,732

3.3 Grower's Fee and Management Fee

a) During the Initial Launch and currently, the Grower's Fee for each Grower's Plot offered to the public by the Management Company is RM8,000.00. The subsequent value of the Grower's Plots after the Initial Launch will be at such price as shall be stipulated by the Management Company from time to time as the Management Company deems fit, based on market forces.

b) The Grower's Fee shall be paid by the Grower in accordance with the terms and in the manner stipulated in the Grower's Management Agreement.

c) In addition to the Grower's Fee, the Grower (other than the Management Company) is also required to pay to the Management Company an annual Management Fee (if not already deducted by the Management Company from the Gross Profit) together with other payments or charges payable by the Grower pursuant to the provisions of the Trust Deed, the Grower's Management Agreement and the Rules, commencing on the first day of the 6th year from the Launch Date and every year thereafter, for the duration of the Grower's Management Agreement (as long as the Grower's Management Agreement is not terminated in accordance with the terms and conditions thereto). The annual Management Fee and other payments or charges may be varied or modified from time to time by the Management Company Provided Always that any increase by more than five per centum (5%) of the annual Management Fee subsisting at the particular time, must be approved by the Trustee and the Growers must be informed.

d) The Management Company shall be entitled to deduct the annual Management Fee from the Gross Profit before paying the Net Profit to the Grower.

3.4 Net Profit

In consideration of the full payment of the Grower's Fee by the Grower to the Management Company and subject to compliance by the Grower of all its obligations, the Grower shall be entitled to obtain a *profit-à-prendre* right in the Grower's Plot(s) whereby the Grower shall be entitled to receive the Net Profit (less the annual Management Fee) calculated as follows:-

a) Planting Phase

During the Planting Phase, a guaranteed Net Profit of 7% per annum of the Grower's Fee, payable at 3.5% every six (6) months; with the first payment due on the First Payment Date (as hereinafter defined) and every six (6) months thereafter, on the Next Payment Date(s) (as hereinafter defined) for the duration of the Planting Phase.

b) Harvest Phase

During the Harvest Phase, the Net Profit for a Grower's Plot in any year shall be calculated as follows:-

Net Profit (E) = (A – B) – D = E

where:

A FFB Sales (RM)
B Cost of Production *Note: A – B = C*
C Gross Profit
D Annual Management Fees (5% x C)
E Net Profit *Note: C –D = E*

Note:
The Net Profit that will be payable to the Grower shall be based on the number of Grower's Plots owned by the Grower divided by the Initial Maximum Number of Grower's Plots (based on the whole Plantation), multiplied by the total Net Profit for the whole Plantation.

Illustration:-

Number of Grower's Plots held by the "Grower A": *10 Grower's Plots*
Initial Maximum Number of Grower's Plots: *41,772 Grower's Plots*
Total Net Profit for the whole Plantation (an assumption): *RM20,000,000.00*

Net Profit for "Grower A": $\frac{10}{41,772}$ *X RM20,000,000.00 = RM4,787.90*

c) Apportionment of Net Profit

The Net Profit in any year shall be calculated based on a period of 365 days except that the first payment of the Net Profit shall be pro-rated based on the number of days from the Commencement Date until the First Payment Date (as hereinafter defined) or the Next Payment Date(s) (as hereinafter defined), as the case may be. If the Grower's Plot(s) are acquired after the First Payment Date but still within the Planting Phase, the Grower shall only be entitled to the remainder of the guaranteed Net Profit payable on the Next Payment Date(s) during the Planting Phase only.

d) Time of payment of Net Profit

The Management Company shall pay to the Grower the Net Profit as follows:

i) within 30 days after the end of six (6) months from the Launch Date (hereinafter referred to as "**the First Payment Date**") and every six months thereafter (hereinafter referred to as "**the Next Payment Date(s)**"), during the Planting Phase only; to be calculated based on a period of 365 days except that the first payment of the Net Profit shall be pro-rated based on the number of days from the Commencement Date until the First Payment Date or the Next Payment Date(s), as the case may be; and

ii) within 60 days after the end of each anniversary of the Launch Date during the Harvest Phase. The Net Profit payable herein shall be of an amount after deduction of the annual Management Fee.

e) Grower responsible for income tax on Net Profit received

The Grower shall be responsible for his own personal or corporate income tax (as the case may be) which may be payable in any jurisdiction in respect of the Net Profit and/or monies received by the Grower under the Scheme.

3.5 Grower's Rights and Liabilities

a) Each Grower's Plot represents an undivided interest in the Scheme and shall in all respect rank pari passu with each other.

b) The rights conferred by each Grower's Plot shall rank pari passu with each other unless otherwise specified in the Grower's Management Agreement.

c) The rights conferred on the Grower shall vest in contract only as a *profit-à-prendre* right in the Grower's Plot(s) and shall not create in or confer on the Grower any tenancy or any estate or any proprietary right, title, or interest in or over the Plantation or the Land or in the assets or business or undertakings of the Management Company.

d) Except for the Net Profit, the Trust Deed and the Grower's Management Agreement do not confer any right on the Grower to a share of the profits of the Management Company howsoever arising and whether or not derived from the Plantation or the Land.

e) No Grower shall have any right by reason of his Grower's Plot(s) to attend meetings of the shareholders, stockholders or debenture holders of the Management Company or to vote or take part in or consent to the Management Company's or its shareholders', stockholders' or debenture holders' actions or resolutions.

f) Except for the Net Profit payable pursuant to **Clause 3.4** above, the investment in the Grower's Plot(s) does not guarantee the payment of the Net Profit by the Management Company in the event that the FFB Sales price does not reach the projected amount to cover the Cost of Production and Management Fees, in which case, there shall be no Net Profit payable under such circumstances.

g) The liability of each Grower in his capacity as such is limited to the Grower's investment in the Scheme.

h) A Grower shall not be required to indemnify the Trustee or the Management Company or their creditor against any liability of the Trustee or the Management Company in respect of the Scheme.

i) Nothing in or under the Trust Deed or the Grower's Management Agreement makes either the Trustee or the Management Company the agent of the Grower nor does it create any relationship other than that of Grower and Management Company or beneficiary and trustee, subject to the provisions of the Trust Deed.

3.6 Repurchase of Grower's Plots

a) No obligation to repurchase during the Exemption Period

The Minister has granted an exemption of six (6) years (hereinafter referred to as "**the Exemption Period**") to the Management Company from the requirement of Section 47 of the Interest Schemes Act, which exempts the Management Company from having to repurchase the Grower's Plot(s) from the Grower during the Exemption Period. The Exemption Period shall commence from the Launch Date.

b) Obligation to Repurchase after the Exemption Period

After the expiry of the Exemption Period, at the request of the Grower, the Management Company shall be obligated to repurchase the Grower's Plot(s) pursuant to Section 47 of the Interest Schemes Act, subject to the terms and conditions as stated herein:

i) In this clause:

- "**First Repurchase Period**" means any time commencing on the first day of the seventh (7^{th}) year from the Launch Date to the expiry of the eighth (8^{th}) year from the Launch Date;

- "**Number of Grower's Plots**" means the number of Grower's Plots as recorded in the Register of Growers excluding Grower's Plots held by the Management Company;

- "**Repurchase Documents**", in relation to a Grower who has submitted a Repurchase Form with respect to a Grower's Plot, means:

  1) the Grower's Certificate with respect to that Grower's Plot(s);

  2) all copies of the Grower's Management Agreement including the Grower's original signed and stamped copy of the Grower's Management Agreement;

  3) all receipts issued by the Management Company; and

  4) all documentation evidencing the ownership of the said Grower's Plot(s).

- "**Repurchase Form**" means the form prescribed by the Management Company from time to time for the purpose of making a request to repurchase a Grower's Plot(s);

- "**Repurchase Limit**" means 10% of the Number of Grower's Plots sold; provided that in each case the Repurchase Limit is rounded up or down to the closest whole number of Grower's Plots;

- "**Repurchase Period**" means any time commencing on the first day of the seventh (7^{th}) year from the Launch Date to the Maturity Date or the termination of the Scheme, whichever is the earlier and which encompasses the First Repurchase Period; and

- "**Repurchase Price**", in relation to a Grower's Plot repurchased during the First Repurchase Period, means an amount equal to eighty five percent (85%) of the net Grower's Fee paid by the Grower for each Grower's Plot and in relation to a Grower's Plot repurchased during the period after the First Repurchase Period, means an amount equal to one hundred percent (100%) of the net Grower's Fee paid by the Grower for each Grower's Plot.

ii) The Management Company shall repurchase the Grower's Plot(s) during the Repurchase Period, at the request of the Grower, subject to the following conditions:-

1) the Repurchase Limit has not been reached;

2) the Grower shall submit a Repurchase Form in accordance with the procedures set out in the Grower's Management Agreement and the Rules;

3) the Grower shall pay to the Management Company such processing fee, if any, as the Management Company may prescribe from time to time;

4) the Grower's Plot(s) shall be repurchased in whole only but not in part;

5) any Grower's Plot(s) for which the Grower has not paid any Grower's Fee are not eligible for repurchase; and

6) the repurchase shall only be applicable to Growers who have fully settled the Grower's Fee and all outstanding payments due and owing to the Management Company as at the date of the Grower's written request for repurchase.

iii) The Management Company shall within 14 days after receipt of the Repurchase Form notify the Grower whether:

1) the repurchase request has been approved or rejected; OR

2) payment of the Repurchase Price is deferred in accordance with **Clause 3.6(b)(viii)**; OR

3) the Management Company has exercised its option to convene a meeting of Growers for the purpose of putting forward a proposal to close the Scheme under **Clause 3.6(b)(xii)**.

iv) The Management Company may reject a repurchase request if:

1) the Repurchase Limit has been reached;

2) the Repurchase Form is not duly completed and signed;

3) the repurchase request is not in accordance with the procedures set out in the Grower's Management Agreement or the Rules;

4) there are any amounts outstanding from the Grower under the Grower's Management Agreement or the Rules; or

5) the Grower has not complied with any of the terms and conditions of the Grower's Management Agreement or the Rules.

v) Except as provided under **Clause 3.6(b)(iv)**, the Management Company is obliged to approve a repurchase request.

vi) If the Management Company approves the repurchase request, the Grower shall deliver to the Management Company the Repurchase Documents within 14 days of the date of approval failing which:

1) the approval of the repurchase request lapses;

2) the Repurchase Form is deemed to have been cancelled; and

3) the Management Company shall forfeit the processing fee, if any, paid or payable with respect to the repurchase request.

vii) Subject to the following provisions of this **Clause 3.6**, the Management Company shall pay to the Grower the Repurchase Price within 60 days of receipt of the Repurchase Documents under **Clause 3.6(b)(vi)**.

viii) If repurchase requests during the Repurchase Period exceed the Repurchase Limit, the Management Company may defer repurchasing the Grower's Plot(s) until the repurchased Grower's Plot(s) (hereinafter referred to as "**the Repurchased Grower's Plot(s)**") have first been sold by the Management Company; in any event, the Repurchase Limit at any time during the Repurchase Period shall be maintained at 10% of the Number of Grower's Plots sold so that the total number of Repurchased Grower's Plot(s) does not exceed the Repurchase Limit. For illustration purposes, the table referred to as **"SAMPLE CALCULATIONS OF REPURCHASE LIMIT AND THE APPLICATION OF CLAUSE 3.6(b)(viii)"** in the **Annexure** hereto sets out sample calculations of the Repurchase Limit and the application of this **Clause 3.6(b)(viii)**.

ix) For the purposes of determining whether the Repurchase Limit has been exceeded, repurchase requests shall be paid on a 'first come first served' basis.

x) If repurchase of the Grower's Plot(s) is deferred under **Clause 3.6(b)(viii)**, the Management Company shall, at least 30 days before the expected repurchase, request the Grower to deliver to the Management Company the Repurchase Documents within 14 days of the date of the request failing which:

1) the approval of the repurchase request lapses;

2) the Repurchase Form is deemed to have been cancelled; and

3) the Management Company shall forfeit the processing fee, if any, paid or payable with respect to the repurchase request.

xi) Subject to **Clause 3.6(b)(xii)**, if the repurchase has been deferred under **Clause 3.6(b)(viii)**, upon notification by the Management Company under **Clause 3.6(b)(x)** and PROVIDED THAT the Grower has delivered the Repurchase Documents to the Management Company within the time frame stipulated in **Clause 3.6(b)(x)**, the Management Company shall pay to the Grower the Repurchase Price within 60 days of receipt of the Repurchase Documents.

xii) The Management Company may convene a meeting of Growers for the purpose of putting forward a proposal to close the Scheme before the Maturity Date for the consideration of the Growers if:

1) there are insufficient funds to meet repurchase requests or the Management Company is of the view that there will be insufficient funds to meet anticipated repurchase requests; or

2) the Management Company is of the view that the volume or timing of repurchase requests is such that the Scheme is no longer viable or it would be unfair to Growers in general to meet such requests.

xiii) If the proposal under **Clause 3.6(b)(xii)** to close the Scheme is passed by a majority in number representing 3/4 in value of the Growers present and voting either in person or by proxy at the meeting:

1) the Management Company is immediately relieved of its obligation to repurchase any Grower's Plot;

2) all repurchase requests received before the date of exercise of the option lapse and the relevant Repurchase Forms are deemed to have been cancelled;

3) any Repurchase Form received on or after the date of exercise of the option shall be rejected;

4) the Management Company ceases to be obliged to pay any Repurchase Price outstanding; and

5) the Management Company will:

a) agree with the Trustee the timing and procedure for selling the Plantation and **Clauses 3.11(b) and 3.11(c)** shall apply with any necessary changes; and

b) refund to the Grower an amount calculated in accordance with **Clause 3.12** within 60 days of the date of receipt of the net proceeds of sale of the Plantation; and

c) enter into a deed of termination with the Trustee to terminate the Scheme

xiv) If the proposal under **Clause 3.6(b)(xii)** to close the Scheme is rejected by Growers, the Management Company may recommend to the Trustee to wind up the Scheme.

xv) Upon payment of the Repurchase Price under **Clause 3.6(b)(vii)** or **Clause 3.6(b)(xi)**:

1) the Management Company shall cancel the relevant Grower's Certificate and cause the name of the Grower to be deleted from the Register of Growers; and

2) the Grower ceases to be entitled to any rights and privileges under the Grower's Management Agreement or to have any claims whatsoever against the Management Company.

Thereafter the Grower's Management Agreement shall become null and void and neither party shall have any further claims against the other in respect of or arising out of the Grower's Management Agreement save and except for any antecedent breach of the Grower's Management Agreement.

xvi) All Grower's Plots repurchased belong to the Management Company and the Management Company may resell any such Grower's Plot at such price as may be determined by the Management Company from time to time.

3.7 Register of Growers

a) The Management Company shall maintain a Register of Growers which shall be kept under the control of the Management Company in written form or by other means (including microfilm, microfiche or electronic recording) as the Trustee may from time to time approve and there shall be entered in the Register of Growers:-

i) the names, addresses, identity card / passport number / company number (as the case may be) and the Grower's Certificate number of each Grower;

ii) the date on which the name of each Grower was entered into the Register of Growers;

iii) the date on which any person ceases to be a Grower;

iv) all transactions involving the Grower;

v) any change of name or address or identity card or passport number or any other relevant details on the part of the Grower;

vi) any other details involving the Grower which are deemed necessary by the Trustee and Management Company.

b) The Register of Growers shall be kept up to date.

c) In the event of any discrepancies whatsoever, unless manifestly incorrect, the entries made in the Register of Growers shall be deemed to be correct and the Trustee shall be entitled to accept the copy of the entries duly certified by an authorised officer of the Management Company as being a correct copy of the Register of Growers for the time being and the Trustee shall not be required to enquire further into the authenticity of the Register of Growers nor shall it be held responsible for any mistake in either the entries or such copy.

d) The Trustee shall ensure that the Register of Growers is properly maintained.

e) The Management Company shall ensure that the Register of Growers shall be made available for inspection of the Trustee and/or Growers at the place of business of the Management Company free of charge during normal business hours of the Management Company and shall ensure that all information and extracts from the Register of Growers as requested by the Trustee from time to time is provided to the Trustee in an expedient manner. If the Register of Growers is kept in some form whereby it cannot be read in the normal manner the provisions of this clause may be satisfied by the production of legible evidence of the contents of the Register of Growers.

3.8 Transfer/Transmission of Grower's Plots

a) Provided that the Grower is not in breach of any of the terms and conditions of the Grower's Management Agreement and the Rules, the Grower may, after a period of 12 months from the Commencement Date, request to transfer his Grower's Plot(s) (in whole only but not in part) to any other person subject to the prior written consent/approval of the Management Company and in accordance with the procedures and subject to the fulfillment of all the terms and conditions of the Grower's Management Agreement and the Rules governing the transfer of such Grower's Plot(s).

b) Where:

i) the Grower is a natural person, the Grower dies, becomes a bankrupt or is legally incapacitated; or

ii) the Grower is a corporate person, the Grower is wound up or liquidated,

any person claiming to be entitled to the Grower's Plot(s) (hereinafter referred to as "**the Entitled Person**") in consequence thereof may request to be registered as the new Grower in place of the original Grower in accordance with the procedures and subject to the fulfillment of all the terms and conditions of the Grower's Management Agreement and the Rules.

c) If the Management Company approves the request under **Clause 3.8(a) and (b)** above and the Entitled Person is registered in the Register of Growers in place of the original Grower:

i) all rights, entitlements, obligations and liabilities of the Grower under the Grower's Management Agreement shall be assigned and transferred to the Entitled Person;

ii) the Entitled Person shall thereafter become and be deemed to be the Grower for the purposes of the Grower's Management Agreement in lieu of and to the exclusion of the original Grower; and

iii) the original Grower ceases to be entitled to any rights and privileges under the Grower's Management Agreement or to have any claims whatsoever against the Management Company; BUT

iv) the original Grower or his estate (as the case may be) shall remain primarily liable to the Management Company for any antecedent breaches under the Grower's Management Agreement and the Rules.

but any transfer hereunder shall confer no rights on the Entitled Person to the Grower's Plot(s) until such time as the Management Company shall have notified the Entitled Person that his name has been registered in the Register of Growers.

d) The Management Company reserves the right of refusal in respect of a transfer request without assigning any reason for such refusal.

3.9 Request for Prospectus and Certificate of Good Standing

a) The Management Company shall provide each transferee of the Grower's Plot(s) with a copy of the current prospectus when requested by the current Grower. The Grower who intends to sell the Grower's Plot(s) shall provide the prospective transferee with a current prospectus failing which the Grower shall commit an offence under the Interest Schemes Act.

b) The Grower may obtain the following documents from the Management Company who shall furnish the same within fourteen (14) days from the date on which the written request is made to the Management Company, PROVIDED that the respective fee for such documents has been paid in full by the Grower to the Management Company:

i) a copy of the current Prospectus for a fee which is not to exceed Ringgit Malaysia twenty (RM20.00) only or such other amount as may be prescribed by the Management Company from time to time;

ii) a certificate certifying inter alia :-

1) that the Grower's Fee and the annual Management Fee are not in arrears;

2) whether, as far as the Management Company is aware, there are any legal proceedings in existence affecting the Scheme and/or the Management Company; and

3) whether the Plantation is sufficiently covered by insurance,

for a fee not exceeding Ringgit Malaysia Five (RM5.00) only or such other amount as may be prescribed by the Management Company from time to time.

3.10 Termination of Scheme

a) Termination Event

Notwithstanding anything to the contrary contained in the Trust Deed and subject always to **Clauses 3.10(b), (c) and (d)** below, the Scheme shall operate for a duration expiring on the Maturity Date and continue to subsist for so long as there shall be a valid Grower's Management Agreement or for such other time as shall be agreed between the Trustee and the Management Company or unless earlier determined by the Management Company if it appears to be in the interest of the Growers during such period as is or such periods as are agreed upon mutually between the Trustee, the Management Company and the Growers, whereby the Trustee, the Management Company and the Growers may execute a deed of termination to terminate the Trust Deed and the Scheme.

The Scheme shall terminate on the earliest to occur of the following:

i) the date on which the Management Company closes the Scheme under **Clause 3.6(b)(xii)**;

ii) the date on which the Scheme is voluntarily closed under **Clause 3.10(b)**;

iii) the date on which the Scheme is closed upon listing on the Malaysian stock exchange under **Clause 3.10(c)**;

iv) the date on which the Scheme is wound up under **Clause 3.10(d)**; and

v) the Maturity Date.

b) Voluntary Closure

The Scheme may be voluntarily closed in accordance with the Trust Deed if the holders of at least 1/10 in value of Grower's Plots request the Management Company to convene a meeting of Growers to consider a resolution to close the Scheme before the Maturity Date; and at such meeting the resolution is passed by a majority in number representing 3/4 in value of the Growers present and voting either in person or by proxy at the meeting. If such a resolution is passed, the Management Company shall:

(i) agree with the Trustee the timing and procedure for the sale of the Plantation and **Clauses 3.11(b) and (c)** shall apply with any necessary changes;

(ii) refund to the Grower an amount calculated in accordance with **Clause 3.12** within 30 days from the date of receipt of the net proceeds of the sale of the Plantation; and

(iii) enter into a deed of termination with the Trustee to terminate the Scheme.

c) Listing on Stock Exchange

The Scheme may be voluntarily closed upon listing thereof on the Malaysian stock exchange if the Management Company decides to list the Scheme and convenes a meeting of Growers to consider a resolution to list the Scheme on the Malaysian stock exchange and close the Scheme before the Maturity Date; and at such meeting the resolution is passed by a majority in number representing 3/4 in value of the Growers present and voting either in person or by proxy at the meeting.

If such a resolution is passed, the Management Company shall agree with the Trustee the timing and procedure for the listing of the Scheme on the Malaysian stock exchange and allot the Growers the relevant number of shares in accordance with the number of Grower's Plot(s) held by them at the material time.

d) Winding up on Liquidation, etc

The Scheme may be wound up in the event that the Management Company goes into liquidation or if in the opinion of the Trustee the Management Company has ceased to carry on business or has, to the prejudice of the Growers, failed to comply with the terms of the Trust Deed and in a meeting of the Growers summoned by the Trustee, duly convened and held in accordance with the provisions of Part V of the Interest Schemes Act, a resolution is passed by a majority in number representing 3/4 in value of the Growers present and voting either in person or by proxy.

If such a resolution is passed that the Scheme be wound up, then the Trustee shall apply to the Court for an order confirming the resolution.

On an application by the Trustee the Court may, if it is satisfied that it is in the interest of the Growers, confirm the resolution and may make such orders as it thinks necessary or expedient for the effective winding up of the Scheme.

e) Consequences upon Termination

If the Scheme is terminated:

i) the Growers cease to be entitled to any rights or privileges (including, but not limited to, the right to receive the Net Profit) under the Trust Deed and/or the Grower's Management Agreement and shall have no further rights or claims whatsoever against the Management Company nor in respect of the Scheme BUT the Growers or the Growers' heir, personal representative, successors-in-title or permitted assign, as the case may be, shall remain liable for all outstanding monies due to the Management Company under the Trust Deed and/or the Grower's Management Agreement or in respect of the Scheme until full payment thereof;

ii) all amounts paid by the Growers to the Management Company shall be forfeited and retained by the Management Company; and

iii) the Growers shall cause the Grower's Plot(s) to be returned by the surrender of the Grower's Certificate to the Management Company.

PROVIDED ALWAYS that such termination shall be without prejudice to the Management Company's rights against the Growers in respect of any antecedent breach by the Growers of the Grower's Management Agreement and the Rules.

3.11 Payment On Termination of Scheme

a) At least 18 months before the Maturity Date, the Management Company shall agree with the Trustee the timing and procedure for the sale of its interest in the Plantation in accordance with the Trust Deed.

b) The procedures for the sale shall include, but not be limited to, a procedure requiring the appointment of an independent valuer to determine the fair market value of the Plantation.

c) Notwithstanding **Clause 3.11(a)**, the Management Company may in its sole and absolute discretion elect to acquire the Plantation based on a fair market value as determined by an independent valuer appointed under **Clause 3.11(b)**.

d) The Management Company shall refund to the Grower the amount calculated in accordance with **Clause 3.12** within 30 days of the date of receipt of the net proceeds of sale of the Plantation.

3.12 Refund upon Termination of Scheme

Upon termination or expiry of the Scheme under **Clauses 3.6(b)(xii), 3.10(b) or 3.11**, the Management Company shall refund to a Grower for each Grower's Plot an amount equal to the Net Sale Proceeds attributable to a quarter acre of the Plantation. For the purposes of calculating the amount to be refunded "**Net Sale Proceeds**" means the proceeds of sale of the Plantation after deducting costs and expenses incurred in relation to the sale (including, but not limited to, valuation, legal and audit costs), taxes, duties, lawful set-offs, deductions, costs, expenses, charges and outgoings.

4. APPLICATION FOR GROWER'S PLOT(S)

4.1 Application Form

a) An Applicant may apply for a Grower's Plot(s) by completing and executing an Application Form and the Grower's Management Agreement and such other documents in the form prescribed by the Management Company and submitting the same to the Management Company with the requisite payment required by the Management Company.

b) The Management Company reserves the right to reject the application without assigning any reason for such refusal. In the event the application is rejected, the Management Company shall immediately notify the Applicant of such rejection and refund such payment paid by the Applicant under **Clause 4.1(a)** hereto, free of interest to the Applicant within 14 days of the notice of rejection. Such refund will be made by cheque in the name of the Applicant and sent by ordinary post to the address of the Applicant specified in the Application Form. No third party cheque will be made.

c) Upon acceptance of an Applicant's application, and after the Cooling-Off Period the Management Company shall notify the Applicant of the success of his application whereupon the Management Company shall execute the Grower's Management Agreement and deliver to the Applicant a duly executed and stamped Grower's Management Agreement for his retention.

d) The Grower's Management Agreement shall take effect on the date thereof ("**the Commencement Date**") subject to:

i) the payment of the Grower's Fee to the Management Company;

ii) the execution by the Applicant of the Grower's Management Agreement; and

iii) the approval by the Management Company under **Clause 4.1(c)** above.

4.2 Cooling-Off Period

a) An Applicant may, by written notice to the Management Company, withdraw his application for a Grower's Plot without any deduction or penalty during the Cooling-Off Period.

b) Upon receipt of the notice under **Clause 4.2(a)** above, the Management Company shall refund the Grower's Fee to the Applicant, free of interest, within fourteen (14) days of receipt of the said notice of withdrawal following which the Applicant shall cease to have any rights, privileges or interests whatsoever in the Grower's Plot(s), the Grower's Management Agreement and/or the Scheme.

4.3 Grower's Certificate and Register of Growers

The Management Company shall issue the Grower's Certificate to the Grower and register the Grower's name in the Register of Growers in accordance with the provisions of the Trust Deed within thirty (30) days of the last of the following to occur:

a) the receipt of the Grower's Fee from the Grower;

b) the receipt of the Grower's Management Agreement duly executed by the Grower; and

c) the approval by the Management Company under **Clause 4.1(c)** above for the Grower to acquire the Grower's Plot(s).

The Register of Growers will be updated from time to time and maintained by and kept under the control of the Management Company at the Business Office and the Trustee and any Grower shall be entitled to inspect the Register of Growers free of charge at the Business Office at any time during normal business hours.

The Register of Growers will be conclusive evidence that the Grower's Plot described therein is vested in the Grower for the time being named therein.

4.4 No Grower's Plots to be sold later than 12 months after the date of the Prospectus

Unless otherwise approved by the Registrar of Companies from time to time, no Grower's Plot to be sold to a Grower pursuant to any statement or prospectus which may be required to be issued by the Management Company under any written law for the time being in force shall be sold by the Management Company later than twelve (12) months after the date of such statement or prospectus, or no later than such period as shall otherwise be approved by the Registrar of Companies for the extension of the validity period of such statement or prospectus.

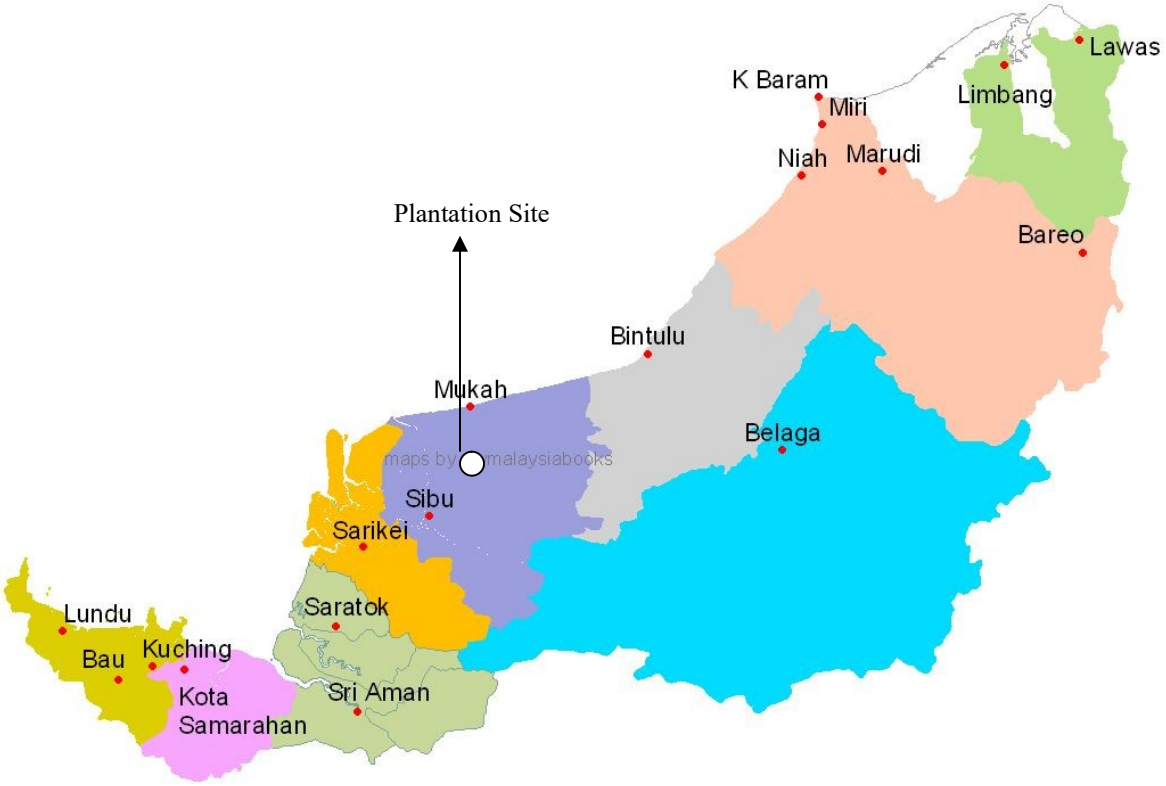
5 DETAILS OF PLANTATION

5.1 Particulars of Land

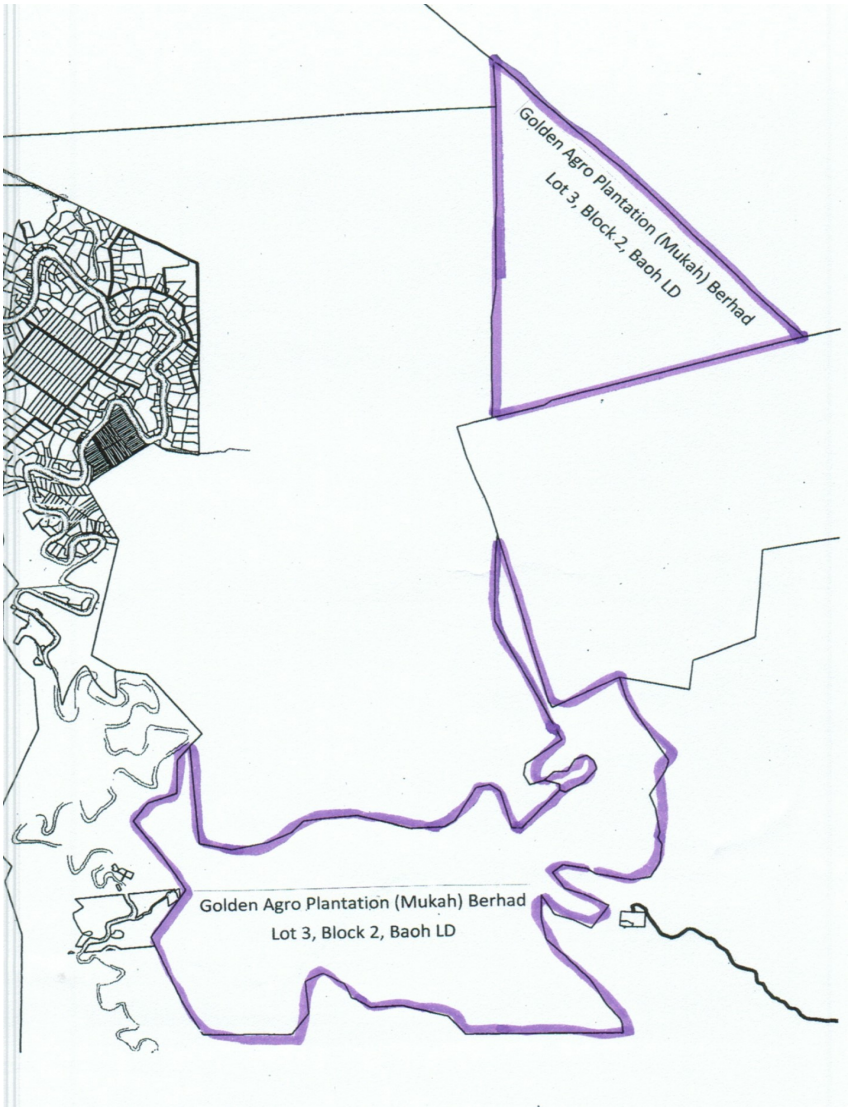
The Land which is owned by the Management Company measures approximately 5,096 hectares (equivalent to 12,587 acres) and is held under Lot No. 3, Block/Section No.2, Baoh Land District, Mukah Division, State of Sarawak, of which the Plantation is part.

5.2 Location and Site Plan of the Land and Plantation

(a) Location Plan



(b) Site Plan



5.3 Feasibility Study

The Management Company has in February 2012 appointed an independent consultant to conduct a feasibility study of developing oil palm plantation on the above land. The independent consultant confirmed that the project is viable due to the following:

(i) The Environmental Impact Assessment carried out by an independent Environmental Consultant in August 2008 states that the suitability of land for oil palm cultivation is certain due to :-

a) Despite being generally marginal soils for Oil Palm cultivation, this could be mitigated by proper planning and implementation of mitigation measures during the duration of the project. All mitigating measures taken shall be properly recorded.

b) The good rainfall which the project area receives annually will be conducive to oil palm growth.

c) The generally good road access to the north and south of the project area will be able to reduce the transportation cost for agricultural inputs required by the project.

d) The availability of longhouses in the vicinity of the project area will also be beneficial as local labours could be sourced easily.

e) The project area is situated near the Sungai Narub and good drainability could be achieved through construction of good networks of drainage system thereby minimising the incidence of flooding during the monsoon season.

(ii) The Management Company and personnel with application of Precision Farming Technique will succeed in reaching the Potential. Precision farming means application of all Best Practices precisely. However, improvement on existing Best Practice is encouraged. It must be scientifically proven that improvements have been made. In scientifically proving, the outcome must be repeatable.

(iii) Palm Oil viability as a product is not a risk.

5.4 Status of Development of the Plantation

The summary of the development of the plantation as at 2-10-2026 are as below:

a) Area Statement:

Field	**Area (HA)**
Mature	
Sg Baoh Utara	1,372.09
Sg Baoh Selatan	1,003.06
Immature	
Sg Baoh Utara	10.00
Sg Baoh Selatan	-
Total Planted Area	**2,385.15**
Planting in Progress	NIL
Development in progress	NIL
Low Lying Area	1,697.56
Sub Total	**4,082.71**
Riverine Reserve – Sg Baoh	34.29
Building Sites	23.10
Nursery	NIL
Ponds etc	39.70
Reserve Land for Building	48.20
Sub Total	**145.29**
Grand Total	**4,228.00**

b) Nursery:

The 10 hectare nursery in Block R is planted as additional areas as all area have been declared as mature area.

c) Buildings /Amenities

The building list is as follows:-

Description	Block	Units	Location
1. Estate Office	2	2	Block R, Baoh
2. 400 MT Fertilizer Store	1	1	Block R
3. 800 MT Fertilizer Store	1	1	Block R
4. Staff Quarters	3	10	Block R
5. Semi D Quarters	1	2	Block R
6. Labour Quarters	2	8	Block R
7. Labour Quarters	3	10	Block R
8. Labour Quarters	3	10	Baoh
9. Artisan Quarters	1	10	Block R
10. Workshop / Storeroom		1	Block R
11. 40,000 lit Diesel Tank		2	Block R
12. Chemical Store		2	Block R
13. Water Treatment House		1	Block R
14. Watchmen Shed		1	Block R
15. Drop Gate		1	Block R
16. Schedule Waste House		1	Block R
17. Canteen/ Convenience Store		1	Block R
18. Clinic		1	Block R

d) Upkeep & Maintenance

Upkeep & Maintenance such as fertilizer application and weeding has been conducted as per program. The census team is doing census work - identify infilling and replacements. The management is also performing maintenance and upkeep work such as roads levelling, surfacing and compaction.

5.5 Insurance Coverage

In accordance with industry practice, the Management Company has taken out the following insurances for the Plantation:

(a) fire and allied perils;
(b) equipment all risks (off road machineries and vehicles);
(c) burglary; and
(d) public liability

5.6 Independent Consultant

The Independent Consultant will conduct a semi-annual review and inspection of the Plantation's operations which encompasses a review of the progress of development of the Plantation and the quality of work carried out at the Plantation. Thereafter the Independent Consultant shall submit the report of the review ("**the Report**") to the Management Company who shall within 30 days after receiving the Report, submit a copy of the Report to the Trustee and the Registrar of Companies.

6. THE MANAGEMENT COMPANY

6.1 Management Company's Covenants

The Management Company shall be subject to and shall comply with the provisions of the Trust Deed in the operation and management of the Scheme. The Management Company covenanted in the Trust Deed that so long as the Scheme is not terminated in the manner provided in the Trust Deed, it shall:-

a) use its best endeavours to carry on and conduct its business in a proper and efficient manner and to ensure that the Scheme is carried on and conducted in a proper and efficient manner in accordance with the terms and conditions of the Trust Deed;

b) the contractual document to be executed between the Management Company and the Grower is the Grower's Management Agreement and that in each case, there is a "cooling-off period" of at least ten (10) days commencing from the date that the Applicant submits the Application Form for a Grower's Plot to the Management Company;

c) maintain accurate and complete accounting and other financial records in respect of the Plantation in accordance with the requirements of all applicable laws and generally accepted accounting principles;

d) make available to the Trustee or representative or its auditor for inspection the whole of the books of the Management Company whether kept at its registered office or elsewhere during normal business hours of the Management Company, as if the Trustee or representative or its auditor were directors of the Management Company;

e) give to the Trustee or representative or its auditor, to the same extent as if the Trustee or representative were a director of the company, such oral or written information as it requires with respect to all matters relating to the operation and management of the Scheme or any property forming part of the Scheme (whether acquired before or after the date of the Trust Deed) or otherwise relating to the affairs thereto;

f) make available or ensure that there is made available to the Trustee such details as the Trustee requires with respect to all matters relating to the Scheme;

g) not, without the approval of the Trustee or the Trustee's representative, publish or cause to be published any advertisement circular or other document containing any statement with respect to the sale price of the Grower's Plots to which the Trust Deed relates or any invitation to purchase the Grower's Plots and shall ensure that it complies with Section 35 of the Interest Schemes Act;

h) ensure that any advertisements relating to the Scheme and/or the sale of the Grower's Plots shall not in any manner whatsoever contain any untrue or false statements, information or description with the intent to misrepresent or mislead members of the public;

i) fulfill all promises or obligations which have been made to the Growers, which are contained or published in any advertisement or any other document offering the Grower's Plots for sale;

j) make available documentary information concerning the Scheme in ordinary language which will be sufficiently comprehensible in daily parlance for the information of the Growers;

k) unless otherwise allowed by the Registrar of Companies, the Management Company shall ensure that a statement or prospectus pursuant to Section 28 of the Interest Schemes Act shall be registered with the Registrar of Companies no later than twelve (12) months from the date of the preceding statement or prospectus, or no later than such period as shall otherwise be approved by the Registrar of Companies for the extension of the validity period of such statement or prospectus;

l) procure and maintain the relevant insurance policy(ies) relating to the Plantation which would normally be acquired by a prudent oil palm plantation according to industry practice and to pay all premiums and other monies payable in respect of such insurance policy(ies) and on the Trustee's request, produce all insurance policies effected for the Trustee's inspection;

m) pay to the Trustee within thirty (30) days after receipt by the Management Company, any monies that under the Trust Deed, are payable by the Management Company to the Trustee;

n) not to sell the Grower's Plots otherwise than at a price determined in accordance with the Trust Deed;

o) not charge or encumber the Plantation or the Land to any party whatsoever in any way except with the prior written consent of the Trustee;

p) maintain the Plantation in a condition conducive for oil palm growth;

q) comply with all relevant laws relating to environment as may be amended from time to time;

r) use the Land for the purpose of oil palm plantation only;

s) not do or suffer anything to be done whereby the insurance policy(ies) taken out pursuant to **Clause 6.1(l)** may be or become void or voidable or the terms thereof may be breached;

t) not alter or vary its nature of business as an oil palm plantation developer and/or operator;

u) the Management Company shall not increase the Management Fee against the Growers more than once per annum, and Provided Always that in the event of any increase in the Management Fee, such increase shall not exceed five per centum (5%) of the Management Fee subsisting at that time unless approved by the Trustee and the Growers must be informed;

v) ensure that all its and the Marketing Company's sales personnel and agents have undergone training and that each of them is a fit and proper person to conduct sales for and on behalf of the Management Company AND also be able to provide investors with a clear understanding of the Scheme as an investment option and respond to and explain on enquiries on all relevant aspects of the Scheme AND the Management Company shall also ensure that the Marketing Company does

not indulge in hard-sell techniques which put the public under undue pressure and duress to sign up for the Scheme;

w) ensure that it and/or the Marketing Company, its sales personnel and agents shall comply with the relevant laws and guidelines drawn up for compliance by the relevant regulatory authority from time to time;

x) ensure that it and/or the Marketing Company shall have proper and adequate systems and equipment (including computer systems) to facilitate convenient transactions between the Growers and the Management Company;

y) ensure that its personnel and/or the Marketing Company's sales personnel and agents shall be adequately trained to use and maintain computer systems in relation to the Scheme;

z) ensure that the Marketing Company does not, without the prior written consent of the Management Company, publish any advertisement, circular or other document containing any statement with respect to the Scheme;

aa) ensure that any representation made by the Marketing Company, its sales personnel and/or agents is correct and is in accordance with the Prospectus;

bb) ensure that the Marketing Company will not be involved in any way in relation to the secondary market;

cc) ensure that the Marketing Company shall not delegate its authority to another party to sell the Grower's Plots on behalf of the Management Company.

In addition to the above, the duties and responsibilities of the Management Company are also set out in other parts of this Prospectus.

6.2 Retirement, Removal or Replacement of Management Company

The Management Company being the proprietor and manager of the Scheme is not subjected to any deed regulating its retirement, removal and replacement as the Management Company and manager. The Management Company may, with prior approval from the Trustee and the Registrar of Companies, appoint a manager to manage the Scheme but the manager shall have no right whatsoever to remove, retire and replace the Management Company nor does the manager have any powers whatsoever to terminate the Scheme. However, should the Management Company desire to retire, it may do so subject to the Management Company obtaining the prior approval of the Registrar of Companies and appointing another company prior to the date of retirement.

7. THE TRUSTEE FOR THE SCHEME

7.1 Establishment of a Trust, the Trust Deed and Parties to the Deed

Pursuant to Section 2 of the Interest Schemes Act, the proposed sale of the Grower's Plots by the Management Company is a sale of interests in the **Golden Agro Growers Scheme** which requires the Management Company to seek the Registrar of Companies' approval of an approved trust deed which is in compliance with the Interest Schemes Act and such regulations made thereunder.

Pursuant thereto, the Management Company, Trustee and the Growers have entered into a Trust Deed dated 1 November 2012. The main purpose of the Trust Deed is to protect the rights and interests of the Growers. The Trust Deed specifically sets down, amongst other things, the duties and responsibilities of the Trustee which include administration of the trust account(s) for the Scheme into which all monies received from the Growers are paid and ensuring that monies released to the Management Company are used appropriately in accordance with the terms and conditions of the Trust Deed. A copy of the Trust Deed will be made available to Growers for their perusal at the Management Company's premises during office hours.

It is intended that the Grower's Fee collected by the Management Company shall be paid into trust accounts which shall be administered and managed by the Trustee upon the terms and conditions set out in the Trust Deed.

7.2 Appointment of Trustee

In consideration of the payment of the Trustee's Fees, My Premier Trustee (Malaysia) Berhad (Company No. 200501037247 / 719395-T), a trust company registered under the Trust Companies Act 1949, agrees to act as Trustee for the Scheme and the Trustee hereby declares that it shall hold the Grower's Fee Trust Account and the Reserve Fund Trust Account upon trust and to fulfil the obligations stated in the Trust Deed upon the terms and conditions set out therein.

The principal responsibilities of the Trustee are set out at length in this Prospectus.

7.3 Remuneration, Indemnity and Liability of Trustee

a) The Trustee for the time being shall be entitled to be paid and retain all usual professional or proper charges and commissions for business done by the Trustee. The Management Company shall pay the Trustee by way of remuneration such sum as shall be agreed upon between the Trustee and the Management Company or such other amount as shall be mutually agreed between the Management Company and the Trustee from time to time, commencing from the date of the Trust Deed and throughout the period the Trustee remains as a trustee of the Trust Deed.

b) Without prejudice to the right to indemnity by law given to trustees, the Trustee shall, in the absence of fraud, crime or negligence be indemnified by the Management Company in respect of all liabilities and expenses properly incurred in the execution or purported execution of its duties under the Trust Deed and against all actions proceedings costs expenses claims and demands in respect of

any matter or thing made, done or omitted in any way relating to the Scheme and the performance of its duties therein.

c) All remuneration and out of pocket expenses to be incurred by the Trustee in the performance of its duties and obligations under the Trust Deed shall be reimbursed out of the Scheme's funds as and when the same is incurred.

7.4 Trustee's Duties - Trust Accounts

a) Opening of Trust Accounts

The Trustee shall open the following trust accounts for the Management Company with a licensed financial institution in Malaysia approved by the Management Company:

i) an interest bearing deposit account ("**Grower's Fee Trust Account**") for the purpose of depositing the Grower's Fees received; and

ii) an interest bearing deposit account ("**Reserve Fund Trust Account**") for the purpose of depositing the Reserve Fund described in **Clause 7.4(c)** hereto.

The Grower's Fee Trust Account and Reserve Fund Trust Account shall be held on trust by the Trustee and utilised in the manner as set out herein.

b) Grower's Fee Trust Account

All Grower's Fees received or collected by the Management Company from the Growers shall be paid by the Management Company to the Trustee within thirty (30) days from the date of receipt or collection of such Grower's Fees or such part thereof from the Grower or his financier and the Trustee shall forthwith deposit such monies into the Grower's Fee Trust Account. All interest earned thereon shall be accumulated to the principal until release thereof by the Trustee to the Management Company as hereinafter provided.

The Management Company may at any time instruct the Trustee to deal with the relevant Grower's Fee in accordance with **Clauses 7.4(c), 7.4(d) and 7.4(e)** hereto.

Any monies deposited into the Grower's Fee Trust Account by the Management Company prior to the expiry of the Cooling-Off Period shall be held in trust by the Trustee for the Applicant until the expiry of the Cooling-Off Period. In the event that any application is withdrawn by an Applicant during the Cooling-Off Period, the Trustee shall release such monies, free of interest, to the Applicant.

c) Reserve Fund Trust Account

Within three (3) days of the Trustee's receipt of such instruction from the Management Company under **Clause 7.4(b)** above, the Trustee shall transfer the following amounts ("**the Reserve Fund**") from the Grower's Fee Trust Account into the Reserve Fund Trust Account:

i) a proportionate amount equal to ten percent (10%) of the Grower's Fee to be used for the following purposes:

1) during Planting Phase – 2% to pay for unbudgeted development expenditure and cost overruns, if any;

2) during Repurchase Period – 3% to satisfy requests to repurchase Grower's Plots; and

3) for the duration of the Scheme - 5% to cover the costs of reasonable claims in respect of any improvements and enhancements of the yield, harvesting and/or major maintenance of the trees and infrastructure of the Plantation

to be released to the Management Company upon the Management Company providing supporting documents for the withdrawal of the monies and approved by the Trustee, SUBJECT ALWAYS to five percent (5%) of the said amount being maintained for the duration of the Scheme, subject to the terms of the Trust Deed and approval of the Trustee;

ii) an amount equal to:

1) at any time before the first six (6) months of the Launch Date – thirty five percent (35%) of the Grower's Fee; or

2) at any time on or after the first six (6) months of the Launch Date – three point five percent (3.5%) of the Grower's Fee for every six (6) months or part thereof remaining in the Planting Phase,

to be released to the Management Company at the following times and manner:-

Date of release	**% to be released**
1st 6 months of the Launch Date	3.5%
2nd 6 months of the Launch Date	3.5%
3rd 6 months of the Launch Date	3.5%
4th 6 months of the Launch Date	3.5%
5th 6 months of the Launch Date	3.5%
6th 6 months of the Launch Date	3.5%
7th 6 months of the Launch Date	3.5%
8th 6 months of the Launch Date	3.5%
9th 6 months of the Launch Date	3.5%
10th 6 months of the Launch Date	3.5%

d) Utilisation of balance of Grower's Fee

Upon the expiry of the Cooling-Off Period and confirmation by the Management Company of its acceptance of the application by the Applicant, the Trustee shall pay the balance of the Grower's Fees (after deducting the Reserve Fund transferred to the Reserve Fund Trust Account in accordance with **Clause 7.4(c)** herein) together with any interest accrued thereon, to the Management Company within three (3) days after receipt of an instruction under **Clause 7.4(b)**. Thereafter the Management Company shall not be liable to account for the same to the Trustee.

e) Investment of monies by Trustee

The Trustee shall be entitled to invest the monies from the Reserve Fund in suitably liquid and secure investments or in any other investments authorised by law and approved by the Management Company and all interest and/or income generated by such investment shall be accumulated to the principal and accrue to the Reserve Fund; PROVIDED THAT no moneys from the Reserve Fund shall be invested in or lent to the Management Company or to the Trustee or representative or to any company (other than a prescribed corporation within the meaning of Section 49(3) of the Interest Schemes Act) which is by virtue of Section 7 of the Companies Act deemed to be related to the Management Company or the Trustee or the representative, unless exempted by the Minister.

The Reserve Fund and all interest and/or income generated by investment of the Reserve Fund is to be utilised in whole or in part for the purposes stipulated under the Trust Deed.

7.5 Trustee's Duties and Covenants

The Trustee hereby covenants with the Management Company and with the intent that the benefit of the said covenants enure not only to the Management Company but also to the Growers jointly, and each of them severally, that during the term of its appointment under the Trust Deed, it shall:-

(a) exercise all due diligence and vigilance in carrying out its functions and duties stipulated in the Trust Deed and overseeing the rights and interests of the Growers as therein described;

(b) in the event that trust accounts are to be established by it pursuant to the provisions in the Trust Deed, deal with the funds in the trust accounts in the manner stipulated therein;

(c) ensure that the Register of Growers is properly maintained by the Management Company;

(d) ensure that the insurance policy(ies) in respect of the Plantation is obtained by the Management Company for the duration of the Scheme;

(e) keep or cause to be kept proper books of accounts in relation to the interests to which the Trust Deed relates;

(f) cause those accounts to be audited at the end of each financial year by the Auditors;

(g) send or cause to be sent by post a statement of the accounts with the report of the Auditors thereon within two months of the end of the financial year to each Grower;

(h) ensure that the Management Company's obligations are properly discharged;

(i) make visits to the Plantation to inspect the condition of the Plantation and seek remedial action in the event of any matter not to its satisfaction;

(j) ensure that the interest of the Growers are preserved and protected;

(k) investigate any reasonable complaints made by any Grower to the Trustee in relation to the Scheme;

(l) report to the Registrar of Companies in the event of any irregularity or non-compliance by the Management Company with the covenants of the Trust Deed and/or such guidelines and requirements of the relevant authorities or any other matter properly regarded by the Trustee as not being in the interest of the Growers;

(m) hold meetings with the Independent Consultant to obtain the necessary feedback on the operations of the Plantation;

(n) procure and obtain reports from the Independent Consultant to ensure that the development of the Plantation is fulfilled; and

(o) act continuously as trustee under the Trust Deed until the Scheme is terminated or until the Trustee retires or is replaced or removed from the Scheme in the manner provided for in the Trust Deed.

7.6 Joint Covenants with Management Company

a) The Management Company and the Trustee shall as from a day to be fixed by the Minister by notice published in the Gazette covenant that they will each respectively not exercise the right to vote in respect of any shares relating to the interests to which the Trust Deed relates held by the Management Company or the Trustee, as the case may be, at any election for directors of a corporation whose shares are so held, without the consent of the majority of the Growers to which the Trust Deed relates present in person and voting given at a meeting of Growers summoned in the manner provided for in the Trust Deed for the purpose of authorising the exercise of the right at the next election.

b) The Management Company and the Trustee covenant with each other and each Grower that they will comply with all the guidelines and requirements of the relevant authorities which may be imposed from time to time, unless variations are allowed or exemptions granted, and within the provisions of the Trust Deed.

c) The Management Company and the Trustee covenant that each of them shall fulfil its respective duties and responsibilities imposed by the Trust Deed, the Grower's Management Agreement and the Rules and each of them declares that its duties and responsibilities imposed on it by the Trust Deed, the Grower's Management Agreement and the Rules are in addition to, and not in derogation of, the duties which are otherwise imposed on it by law.

7.7 Powers and Liabilities of Trustee

a) Without prejudice to the generality of its powers as trustee, the Trustee shall have power from time to time:-

i) to receive the Grower's Fee paid by the Growers and hold the same in the Grower's Fee Trust Account and the Reserve Fund Trust Account and deal with the same in a manner set out in **Clause 7.4** herein;

ii) to open and operate such bank accounts (including fixed deposit accounts and money market placements) in the name of the Trustee and/or the Management Company as are from time to time considered by the Trustee in consultation with the Management Company to be appropriate;

iii) to authorise any one or more of its officers to sign any document on its behalf other than where the document in question is a deed in which case it must be executed by the Trustee under its common seal;

iv) to invest all or any part of the monies in the Reserve Fund Trust Account in any investment provided in Section 4 and Section 5 of the Trustees Act 1949 and Section 8 and Section 18 of the Trust Companies Act 1949 and to this end, including but not limited to, investing:-

- in units, unit trusts or other investment funds;
- by placing the same on deposit with any local authority, bank, discount house or finance company at such rate of interest (if any) and upon such terms as the Trustee shall think fit;

PROVIDED ALWAYS that each time that the Trustee seeks to make an investment as provided above, the Trustee shall first confer with the Management Company to obtain the Management Company's written sanction of such investment.

b) Except as otherwise expressly provided in the Trust Deed, the Trustee shall have an absolute and unfettered discretion in exercising all the powers authorities and discretion conferred on the Trustee under the Trust Deed including but not limited to the manner, the mode and time for the exercise hereof.

c) In the absence of fraud, negligence and/or wrongdoing on the part of the Trustee, the trustee shall not in any way be accountable for any loss, costs, damages or liabilities that may result from the exercise or non-exercise of the powers, authorities and/or discretion hereof.

d) The Trustee shall not be responsible for any loss incurred through any act, neglect, mistake or default of the Management Company or of any agent of the Management Company and shall not be under any liability on account of anything done or suffered by the Trustee in good faith in accordance with or in pursuance of any request or advice of the Management Company. Whenever pursuant to any provision of the Trust Deed, any certificate, notice, instruction or other communication is to be given by the Management Company to the Trustee, the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Management Company by any person or persons whose signature(s) the Trustee is for the time being authorised by the Management Company to accept.

e) The Trustee may act upon any advice or information obtained from any attorneys, bankers, accountants, lawyers, agents or other persons appointed as agents or advisers of the Trustee. The Trustee shall not be liable for anything done, omitted or suffered in reliance upon such advice or information provided that the Trustee has acted in good faith and with due care in the appointment thereof.

f) The Trustee shall not be responsible for any misconduct, mistake, oversight, error of judgment, or want of prudence, on the part of any such attorney, banker, accountant, lawyer, agent or other person provided that the Trustee has acted in good faith and with due care in the appointment thereof.

g) In the execution of the trusts and powers declared in the Trust Deed the Trustee shall not be liable for any loss to the Grower's Fee Trust Account and the Reserve Fund Trust Account arising in consequence of the failure depreciation or loss of any investment made in good faith except that the Trustee shall always be made liable in the event of fraud, negligence and/or wrongdoing on the part of the Trustee.

h) The Trustee shall not be obliged to institute, maintain or defend any legal proceedings or claim in relation to the trust created in the Trust Deed which in its opinion would or might involve it in expense or liability, unless the Management Company so request of it in writing and as long as an indemnity is furnished by the Management Company which is satisfactory to the Trustee.

i) The Trustee may in relation to the enforcement of the provisions contained in the Trust Deed act upon the opinion or advice of any lawyer or any information furnished in writing by any Grower.

j) Any such advice, opinion or information in **Clause 7.7(i)** may be sent by letter or facsimile transmission and the Trustee shall not be liable for acting on any advice, opinion or information purported to be conveyed by any such letter or facsimile transmission although the same may contain errors and/or is not authentic.

k) The Trustee shall have full power to determine all questions and doubts relating to any of the provisions in the Trust Deed and every such determination whether made upon a question actually raised or implied in the acts or proceedings of the Trustee or the Management Company shall be conclusive and binding on the Management Company and the Growers.

l) The Trustee shall have no duties or responsibilities other than those expressly set forth in the Trust Deed. The Trustee shall be under no liability to the Management Company and/or its agents and/or the Growers by reason of any failure on the part of the Management Company and/or its agents and/or the Growers to perform their obligations under the Trust Deed or under any such other document.

m) The Trustee shall not be liable for any action taken or omitted by it based on any document presented by the Management Company and/or its agents and/or the Growers which is reasonably believed by the Trustee to be genuine or signed or presented by the Management Company and/or its agents and/or the Growers. Except as provided in **Clause 7.7(n)**, the Trustee shall not incur any liability for following the instructions contained in the Trust Deed or expressly provided for or written instructions given by the Management Company and/or its agents and/or the Growers thereto in accordance with the provisions of the Trust Deed.

n) The Trustee shall be indemnified and held harmless jointly and severally by the Management Company and/or its agents and/or the Growers and against any expenses, including reasonable counsel fees and disbursements, damages or losses suffered by the Trustee in connection with any claim or demand which in any way, directly or indirectly, arises out of or relates to the Trust Deed or the services of the Trustee hereunder on a full indemnity basis; except that if the Trustee is guilty of wilful misconduct, fraud or gross negligence under the Trust Deed then the Trustee shall bear the losses, damages and expenses arising as a result of such wilful misconduct, fraud or gross negligence. For the purposes hereof, the terms "expense" and "loss" include all amounts paid or payable to satisfy any such claim or demand, or in settlement of any such claim, demand, action, suit or proceeding settled hereto, and all costs and expenses, including, but not limited to, all counsel fees and disbursements, paid or incurred in investigating or defending against any such claim, demand, action, suit or proceeding. The indemnity provided in the Trust Deed shall survive the termination of the Trust Deed and any other agreement made between the parties herein.

o) The Trustee shall not be obliged to undertake any further duties in relation to the Scheme or bear any other obligations towards the Management Company and the Growers, or any other person or body connected with the Scheme from time to time other than those expressly set out in the Trust Deed and in this particular (but without prejudice to the generality of the above) shall not be required to concern itself in any way with the management of the Scheme save as the Trustee is expressly required so to do in the Trust Deed.

p) Nothing in this **Clause 7.7** shall be construed in any way so as to exempt the Trustee against liability for breach of trust arising out of the wilful negligence, dishonesty or fraud of the Trustee.

7.8 Retirement, Removal and Replacement of Trustee

a) The Trustee may retire upon giving three (3) months' written notice to the Management Company of its desire to do so, or such shorter period as the Management Company and the Trustee shall agree, and the Management Company shall within three (3) months of the Trustee's said notice to retire, by deed appoint in its stead or as an additional trustee another trust corporation registered under the Trust Companies Act, 1949 and approved by the relevant authorities, to replace the Trustee as the trustee for the Scheme provided always that the Trustee shall not retire until a new trustee is appointed and **Clause 7.8(b)(viii) and Clause 7.8(c)** shall apply.

b) The Trustee may be removed and a new Trustee (duly approved as set out in **Clause 7.8(a)**) may be appointed if:-

i) at least seventy-five per centum (75%) of the Growers in writing so requested or by a majority of not less than seventy-five per centum (75%) of the votes of those Growers present (in person or by proxy) at a duly convened meeting summoned by the Management Company upon request by the Growers holding not less than 1/10 in value of the Grower's Plots, of which notice has been given to the Trustee, the Management Company and the Growers for the time being, and a resolution is passed removing the Trustee and appointing the new Trustee;

ii) the Trustee goes into liquidation otherwise than for the purpose of amalgamation or reconstruction or ceases to carry on business or a receiver of its undertaking is appointed or a petition is presented for the winding up of the Trustee;

iii) the Trustee has ceased to exist;

iv) the Trustee is not validly appointed;

v) the Trustee is not eligible to be appointed or to act as trustee pursuant to Section 23 of the Interest Schemes Act;

vi) the Trustee fails or refuses to act as trustee in accordance with the provisions of the Trust Deed or the Interest Schemes Act; or

vii) the Trustee is under investigation for conduct that contravenes the Trust Companies Act 1949, the Trustee Act 1949 or the Interest Schemes Act

then in either case:-

viii) the Management Company shall forthwith in writing remove the Trustee from its appointment under the Trust Deed and shall in writing appoint the new trustee duly approved in accordance with the Trust Deed;

c) Upon the occurrence of **Clauses 7.8(a) or 7.8(b)** above, as the case may be:

i) the new Trustee so appointed shall execute a deed in such form as the Management Company may require whereby the new Trustee shall undertake to the Management Company and the Growers jointly and severally all the obligations of the retiring Trustee;

ii) the Trustee shall from the date of such removal be released from all further obligations under the Trust Deed and the trusts and provisions thereof and indemnified against any claims under the Trust Deed (but without prejudice to liability for any antecedent breach by the Trustee) Provided That any release so provided for and given in accordance with the provisions of the Trust Deed shall not extend to any claims that are caused by or result or arise from or are in respect of any fraud or dishonesty on the part of the Trustee or any existing or antecedent neglect, breach of trust or breach of duty imposed by statute or rule of law by or default of such retiring Trustee;

iii) the new Trustee shall and may thereafter exercise all the powers and enjoy all the rights and shall be subject to all duties and obligations of the retiring Trustee as fully as though such new Trustee had been originally named as a party thereto;

iv) the Management Company shall be entitled to settle with the Trustee the amount of any sums payable by the Trustee to the Management Company or by the Management Company to the Trustee under the provisions of the Trust Deed and to give and accept from the Trustee discharge in respect thereof and any such settlement or discharge shall (except in the case of fraud or any antecedent neglect or default or breach of trust on the part of the Trustee or any antecedent breach of its duties imposed by statute or rule of law) be conclusive and binding upon all parties thereto provided always that no settlement or discharge under the provisions of this clause shall be binding on the Growers or affect any liability of the Trustee or the Management Company to the Growers which may have accrued before the Trustee's removal;

v) the Trustee shall also refund a pro-rated portion of their fees for the unexpired term to the Management Company; and

vi) the Grower's Fee Trust Account and the Reserve Fund Trust Account shall vest or be vested by the Trustee so retiring, removed or replaced (as the case may be) in such new trustee and the outgoing Trustee shall deliver to the new Trustee all books, documents, records and other property whatsoever relating to the same to the new Trustee. The costs and expenses incidental thereto shall be paid out of the Scheme's funds.

d) On every change in the trusteeship a supplemental trust deed shall be made between the Management Company, the retiring Trustee and the new Trustee and any person dealing with the new Trustee shall be entitled to rely upon such supplemental trust deed as sufficient evidence that the new Trustee named in the

supplemental trust deed is the duly constituted Trustee for the time being of the Trust Deed as fully as though such new Trustee had been originally named as a party thereto.

e) The outgoing Trustee (so retiring, removed or replaced, as the case may be) shall not delay its approval of the requisite supplemental trust deed appointing the new Trustee and shall execute the requisite supplemental trust deed once the application by the Management Company for the appointment of the new Trustee has been approved by the Minister and the Registrar of Companies.

8. RISK FACTORS

Before subscribing for any Grower's Plot, an investor should pay particular attention to the fact that the Scheme, and to a large extent the Scheme's activities, are subject to legal, regulatory and business environment in Malaysia. The Scheme's plantation business is subject to a number of factors, many of which are outside the Management Company's control. Prior to making the decision to subscribe for any Grower's Plot, an investor should carefully consider along with the other matters in this Prospectus, the risk considerations set out below. The risks set out below are not an exhaustive list of the challenges that the Management Company currently face or that may develop in the future. Additional risks, whether known or unknown, may in the future have a material adverse effect on the Management Company or the Scheme.

8.1 Risk inherent in the plantation industry

As the Plantation's principal activity is the cultivation of oil palm and marketing of oil palm fresh fruit bunches, the Scheme is susceptible to certain business risks inherent in the oil palm industry as well as general business risks. These include but are not limited to:-

(a) constraints and rising costs of labour supply and raw materials for the Plantation operations;
(b) changes in world demand for edible oils and fats;
(c) effects of poor weather;
(d) commodity price fluctuations;
(e) threat of substitute products; and
(f) change in the regulatory, economy and business conditions.

The Management Company seeks to limit these risks through effective risk management practices. However, there is no assurance that adverse changes in the business environment will not have an impact on the Scheme.

8.2 Life cycle of the industry

Oil palm trees produce fruits crops throughout the year but there are seasonal variations. Production also varies with the age condition of the palms, soil and weather. Annual fresh fruit bunch yields typically experience a cyclical pattern with higher yields at intervals of five (5) years. An exceptionally high yielding year will be followed by gradually low yielding years when the trees produce lower output as a result of biological reaction after a period of production stress.

8.3 Plantation yield an important factor in profitability

The yield for oil palm plantations is generally dependent on the terrain, weather and soil as well as the overall management of the plantation. However, consistent production of high yields in relation to the industry average cannot be guaranteed.

8.4 Fluctuations in the demand and prices of edible oils and fats outside control of Management Company

Oil palm growers face competition from other edible oils namely, soya bean and rapeseed. Hence, the price of fresh fruit bunches and crude palm oil fluctuates in accordance to the supply of world edible oils and consumer's demand. The Management Company cannot guarantee that adverse movement in the demand and supply and prices of crude palm oil and palm kernels will not have an adverse effect in the performance of the Plantation.

8.5 Competition from substitute products and other competitors

As previously mentioned, other edible oil namely soya bean, rapeseed and sunflower oil are direct substitutes of palm oil. Nevertheless, palm oil had experienced almost four (4) times growth over the last twenty two (22) years from 1983 to 2004, which was twice the growth rate of other seed oil due to its low production cost and high yield per hectare. Malaysia, being the largest palm oil producer, faces increasing competition from other palm oil producing countries, namely Indonesia, which has a lower industry cost structure in terms of labour and raw materials.

With the continued support from the Malaysian government including extensive research, development, marketing and promotion undertaken by government bodies as well as other incentives given to the industry, Malaysian palm oil producers had in the past, expanded their market share in the world vegetable oil market. There is however, no guarantee that this trend will continue in the future.

8.6 Labour force

The plantation industry is labour intensive. Oil palm plantations require extensive manpower in the nurturing of seedlings, tree planting, manuring, harvesting as well as other routine maintenance work to ensure optimal yield. Oil palm industry has been facing difficulty in recruiting local labour force and therefore has resorted to the employment of foreign plantation workers.

In order to attract and retain our worker and employees, the Management Company will look into providing attractive incentive, benefits, welfare schemes and facilities for staff members and their families. The Management Company's management team and staff are regularly sent for seminars and training to upgrade their knowledge and skills.

In order to improve production efficiency and reduce over-dependence on foreign workers, our Group is constantly studying moves towards mechanisation in many of our plantation practices such as the application of fertilizer and evacuation of fresh fruit bunches. It is envisaged that with mechanisation, the Management Company will be able to optimize the labour force. Nevertheless, no guarantee can be given that any changes in immigration and labour policies by the Government in respect of foreign workers will not affect the operations of the Plantation.

8.7 Pests and diseases

The oil palm industry is not free from pests and diseases as occasional outbreaks of leaf eating insects such as bagworms and nettle caterpillars are common. During the younger stages of its life, oil palms are susceptible to attacks by pests such as rats, porcupines, wild boar and monkeys as well as rhinoceros beetles.

The Management Company intends to take adequate measures to control the population of pest in the plantation, by adopting good agricultural practices and practicing integrated pest management wherever possible. Planting of beneficial plants like *Cassia Cobanensis, Turnera Subalata species* and *Antigonon* in the open areas to act as host for predators will enhance and sustain the parasitoid population for natural control of leaf eating pests. The use of pathogenic microbial agent, *Metarhizium anisopliae* for the control of *Oryctes rhinoceros* shall be advocated.

Early detection of any pest and disease outbreak will be the key factor in timely and systematic approach in controlling the outbreak. The Management Company shall form a dedicated pest and disease census team for this purpose. The Management Company shall also take all necessary steps to keep abreast with the latest development in natural and biological control of pest and disease and shall adopt these methods in the plantation

Despite these measures, no guarantee can be given that large-scale attacks by pest and/or diseases will not occur in the future and thus adversely affecting the performance of the Plantation.

8.8 Weather condition

Weather has strong effects on fresh fruits bunches production. Effects of severe drought periods will usually result in low crops production after nine (9) months while very wet weather may adversely affect harvesting and evacuation of fresh fruit bunches at the plantations. Weather in Malaysia for the last decade has been affected by open burning within and outside of the country, deforestation due to urban development and agricultural cultivation and weather phenomenon such as *El Nino and La Nina.*

As the Management Company is unable to predict the weather pattern, the Management Company needs to be meticulous and far-sighted in planning. The wet weather may adversely affect the harvesting and evacuation of fresh fruit bunches as plantations become inaccessible due to poor road conditions while dry weather may result in low yield.

Although there is no way to regulate rainfall pattern, the Management Company will take practical steps to mitigate the effects of excessive rainfall or drought. For example, mulching is done and laid out in the field to act as a sponge that would trap water and keep grounds moist to minimize the effects of drought. Notwithstanding that the Management Company is continuously studying and devising ways to ensure consistent and abundant yield of fresh fruit bunches, there is no guarantee that adverse weather pattern will not have a severe impact on the production of fresh fruit bunches.

8.9 Fire, energy crisis and other emergencies and risks

The breakout of fire, energy crisis and other emergency risks could adversely affect the operations and financial performance of the Plantation. To mitigate the risk of fire, the Management Company places emphasis on proper fire safety procedures being implemented and practiced at the Plantation as well as ensuring that physical assets will have adequate insurance coverage. However, insurance coverage may not be sufficient to cover possible losses of profits due to the Plantation's operations.

8.10 Key personnel

The continued success of the Plantation will depend to a significant extent upon the abilities and continued efforts of the Directors and senior management. The loss of any key member in the management team could affect the Plantation's ability to compete effectively in the oil palm industry. The Plantation's future success will also depend upon the Management Company's ability to attract and retain skilled personnel and as such, the Management Company will make efforts to train staff so as to groom the younger members of the senior management to gradually resume the responsibilities of their predecessors. This is done to ensure a smooth transition in the management team should changes occur and to maintain the Plantation's continued ability to compete in the oil palm industry.

8.11 Seedlings and suppliers

The selection of oil palm seedling are crucial in our planting phase as poor quality seedling will affect the future yield, growth rate, survival rate and sustainability of the trees. The Management Company sources seedling from licensed oil palm nurseries which have procured Oil Palm Nursery Certificate of Competencies from the Malaysian Palm Oil Board.

In order to avoid over-reliance on one supplier and ensure consistent and ready supplies of seedling to the plantations, the Management Company procures seedling from several different companies which include IOI Corporation Berhad, Applied Agricultural Resources Sdn Bhd, Kumpulan Guthrie Berhad, Sime Darby Berhad, FELDA (Federal Land Development Authority) and United Plantations Berhad.

Fertiliser cost is a significant component of the plantation industry. It is estimated that annual fertiliser cost will amount to approximately one-third of the Plantation's revenue expenditure.

8.12 Insurance coverage

The buildings, plant and machineries at the Plantation have been insured against risk such as fire, burglary and other perils.

Although the necessary measures will be taken to ensure that assets are adequately covered by insurance, there can be no assurance that the insurance coverage would be adequate for the replacement cost of all assets at the Plantation, including but not limited to the Plantation or any consequential costs arising there from.

8.13 Significant interruptions to operations

Any significant interruptions to the Plantation's operation as a result of breakdown in machinery, union strikes or natural disaster could materially and adversely affect the Plantation's business, financial condition and results of operation.

8.14 Economic, political and government regulations

Political developments and uncertain economic conditions, if any, in Malaysia and other countries where palm oil products are currently being exported to, could affect the financial prospects of the Plantation. Examples of these political and economic uncertainties include but are not limited to changes in labour laws and availability of foreign labour, interest rates, foreign exchange rates, methods of taxation, tariffs and duties. The occurrence of any unforeseen events, such as the outbreak of war, diseases and natural disaster may disrupt the demand and supply of fresh fruit bunches and crude palm oil thus affecting their prices.

8.15 Environmental laws and risks

The Management Company will ensure that the Plantation conforms to the environmental regulatory requirement and carries out consistent monitoring of its environmental practices to ensure that it conforms and exceeds industry standards. Although no absolute guarantee is given, the Management Company is confident based on current environmental practices that the Plantation will conform to the requirements of the applicable laws.

9. MEETING OF THE GROWERS

9.1 Types of Meeting

The Management Company and/or the Trustee may convene a Growers' meeting for the following purposes:-

a) to remove the Trustee under **Clause 7.8**; or

b) to voluntarily close the Scheme in accordance with **Clauses 3.6(b)(xii), 3.10(b) and 3.10(c)**;

c) to amend and/or modify the Trust Deed (where the Registrar of Companies or the Trustee deem it necessary); or

d) any other purposes as the Trustee or the Management Company may think fit; or

e) as requested by the Growers.

(reference to the "**Meeting"** shall refer to an annual general meeting ("AGM") or extraordinary general meeting ("EGM"), as the case may be, or both the AGM and EGM where the AGM and EGM are held together.

The AGM shall be held each year at the Management Company's place of business or such place as determined by the Management Company. The cost for the Meeting(s) shall be paid out of the dividend and/or interest made by the Scheme's trust accounts, to the Management Company for the purpose of holding the Meeting(s).

9.2 **Request for the Meetings**

(a) The Management Company will within twenty one (21) days after an application for a Meeting is delivered to the Management Company at its registered office, being an application in writing by not less than fifty (50) or one tenth (1/10) in number, whichever is the lesser of the Growers, summon a meeting of the Growers for the purpose of laying before the Meeting the accounts and balance sheet which were laid before the last preceding annual general meeting of the Management Company or the last audited statement of accounts of the Trustee and for the purpose of giving to the Trustee such direction as the Meeting thinks proper, by sending notice by post of the proposed Meeting at least seven (7) days before the proposed Meeting to each of the Growers at his last known address or in the case of joint holders (if any) to the joint holder whose name stands first in the Register of Growers and by publishing at least fourteen (14) days before the proposed meeting an advertisement giving notice of the meeting in a newspaper circulating generally throughout Malaysia.

(b) Any Meeting summoned by the Management Company and/or Grower and/or Trustee more specifically but not limited to the purpose pursuant to this **Clause 9** shall be held in accordance with the prescribed proceedings as stated under this **Clause 9** herein at the time and place specified in the notice and advertisement, being a time not later than two (2) months after the giving of the said notice.

(c) No business other than that specified in the notice of the Meeting and documents sent with such notices shall be considered at the Meeting.

(d) Any request for the Meeting by the Growers must be delivered in writing to the Management Company.

(e) The Trustee shall comply with the direction given at such Meeting summoned pursuant to **Clause 9.2(a)** herein unless inconsistent with the Trust Deed or the Interest Schemes Act PROVIDED ALWAYS THAT the Trustee shall not be liable for anything done or omitted to be done by it by reason of its compliance with the direction as aforesaid.

(f) Pursuant to **Clause 9.2(e)** herein, where the Trustee is of the opinion that any direction so given is inconsistent with the Trust Deed or the Interest Schemes Act or is otherwise objectionable, the Trustee may, with the approval of the Management Company, apply to the Court for an order confirming, setting aside or varying the direction as aforesaid and the Court may make such order as it thinks fit. The cost of such application shall be paid out of the Scheme's funds.

9.3 **Attendees**

(a) The Management Company shall be entitled to receive notice of and to attend the Meetings. The Trustee and its solicitors and any director, secretary and solicitor of the Management Company and any other person authorized in that behalf by the Management Company may also attend and speak at such Meeting.

(b) All voting rights conferred on the Management Company by the Reserved Grower's Plots shall be exercised in such manner as the Management Company may wish or may refrain at its discretion and no parties shall have any right to interfere with the exercise of such rights by the Management Company.

9.4 **Chairman of the Meetings**

The Meetings shall be held under the chairmanship of such person as is appointed in that behalf by the Growers present at the Meetings or where no such appointment is made, a nominee of the Trustee or a representative approved by the Registrar of Companies and it shall be conducted in accordance with the Trust Deed or if the Trust Deed makes no provision, as directed by the chairman of the Meeting. If the nominee of the Management Company or the Trustee is appointed as chairman by the Growers, then such chairman shall not have the right to a casting vote.

9.5 **Quorum and Adjournment of the Meetings**

(a) No business shall be transacted at any Meeting unless a quorum of the Growers is present in person or by proxy at the commencement of business. Save as otherwise provided, twenty (20) Growers or the number of Growers holding at least one-tenth (1/10) in value of the Grower's Plots sold, whichever is the lesser, registered in the Register of Growers on the date of the meeting, present in person or by proxy shall be a quorum.

(b) The Management Company shall be entitled to be counted in the quorum at any meeting with regard to any Grower's Plots held by the Management Company.

(c) If within an hour from the time appointed for the Meeting, a quorum is not present, the Meeting if convened upon the requisition of Growers shall be dissolved. In any other case it shall stand adjourned to such day and time not being less than fifteen (15) days thereafter and to such place as may be determined by the Management Company or the Trustee and at such adjourned Meeting, the Growers present in person or by proxy shall be a quorum for the transaction of business including the passing of any Extraordinary Resolution. At least seven (7) days' notice of any adjourned Meeting of Growers shall be given in the same manner as for an original Meeting and such notice shall state that the Growers present in person or by proxy at the adjourned Meeting whatever their number and/or the number of Grower's Plots held by them, shall form a quorum.

(d) The chairman may with the consent of the Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time for a period not exceeding one (1) calendar year and from place to place but no

business shall be transacted at the adjourned Meeting other than business which might lawfully have been transacted at the Meeting from which the adjournment took place. In any event, the term of the chairman shapp expire after a period of one year.

9.6 **Voting**

(a) Voting for Meetings shall be by way of a show of hands with a simple majority vote save that:-

(i) in respect of any alteration, modification, addition or deletion to the Trust Deed which the Trustee does not certify as not prejudicial to the interest of the Growers in accordance with the provisions of the Trust Deed, such alteration, modification, addition or deletion may only be effected with the consent of a resolution passed by a majority of not less than fifty percentum (50%) of the votes of those present (in person or by proxy); or

(ii) in respect of such matters required by the provisions of the Interest Schemes Act or the Trust Deed, by a majority of seventy-five percentum (75%) of those present and voting.

(b) For the purpose of voting, the Register of Growers at close of business fifteen (15) clear working days or lesser before the date of the Meetings shall be conclusive as to the identity of the Growers and the number of Grower's Plots issued by the Management Company.

(c) Every question arising at any Meeting shall be decided in the first instance by a show of hands unless a poll is demanded or if it is a question which under the Trust Deed requires an Extraordinary Resolution, in which case a poll shall be taken. On a show of hands, every Grower who is present in person or by proxy shall have one vote regardless of the number of Grower's Plots held and/or represented by the Grower.

(d) A poll may be demanded before or immediately after any question is put to a show of hands.

(e) A poll may be demanded by the chairman of the Meeting, the Trustee, the Management Company or by the Growers holding (or representing by proxy) between them not less than one tenth (1/10) of the total number of Grower's Plots issued by the Management Company then. Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or less shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

(f) If a poll is duly demanded it shall be taken in such manner as the chairman may direct and the result of a poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.

(g) A poll demanded on the election of the chairman or on a question of adjournment of the Meeting shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such time and place as the chairman directs. No notice need to be given of a poll not taken immediately. A demand for a poll may be withdrawn at any time.

(h) Subject to the aforesaid, the demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.

(i) Upon a poll, every Grower present in person or by proxy shall have one vote for every Grower's Plot held by him. No vote may be counted while the Grower is in arrears on payments due and payable or if the Grower is in breach of any of the terms and conditions of the Grower's Management Agreement.

(j) In the event of equality of votes, the chairman shall have a casting vote in addition to its votes (if any) as a Grower both on a show of hands and on a poll.

9.7 **Proxy**

(a) Any Grower may appoint a proxy to attend, speak and vote on the Grower's behalf. A proxy must be a Grower. In the case of corporate Growers, the nominee of the corporate Grower may vote either personally or by proxy. Such proxy shall have the same rights as a Grower to vote whether on a poll or a show of hands, to speak and to be reckoned in a quorum.

(b) Every instrument of proxy whether for a specific meeting or otherwise shall be in writing under the hand of the appointer or its attorney duly authorised or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney so authorised and as nearly as circumstances admit be in the following form or in such other form as the Trustee may agree with the Management Company:-

I/We ..... being a Grower(s) of ..... hereby appoint ..... of ……or failing which, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the meeting of the Growers to be held at ……on ……. or at any adjournment thereof.

SIGNED by the said ……. on the ……..day of ……. in the presence of:-

.....	……
(Witness' signature)	*Signature of Grower*

(c) The instrument appointing a proxy shall be duly stamped (if required) and deposited at the Business Office of the Management Company not less than forty eight hours before the time of holding the Meeting or adjourned Meeting as the

case may be, at which the person named in such instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after six (6) months from its date.

(d) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or the power of attorney or other authority under which the proxy was signed or the sale of the Grower's Plot(s) in respect of which the proxy was given provided that no intimation in writing of such death, insanity, revocation or sale shall have been received at the place so appointed for the deposit of proxy forms or if no such place is appointed, at the Business Office of the Management Company before the commencement of the Meetings or adjourned Meetings at which the proxy is used.

9.8 **Resolutions and Decisions**

(a) All and any resolution shall be passed by a simple majority of votes (unless otherwise specified in the Trust Deed) of the Growers present in person or by proxy at a Meeting and upon being passed, such resolution(s) shall be binding upon all Growers whether present or not present at the Meeting and each of the Growers and the Trustee and the Management Company shall, subject to the provisions relating to indemnity in the Trust Deed contained, be bound to give effect thereto accordingly.

(b) The Trustee will accept and where appropriate implement all decisions relating to the Trust Deed made by the Growers at the Meetings.

(c) The Trustee shall be entitled to reply on and accept as valid:-

(i) the decision or resolution adopted at the Meetings which shall be certified by the secretary and chairman of the Meetings at which such decision or resolution was adopted; and

(ii) without prejudice to the generality of the above the Trustee shall not be concerned to inquire or satisfy itself in any way as to the calling of the Meetings or the procedure adopted at the Meetings.

10. FURTHER STATUTORY AND OTHER GENERAL INFORMATION

10.1 Appointment, Retirement and Replacement of Auditor

The provisions of the Trust Deed governing the appointment, retirement, removal and replacement of auditor are set out below:

An Auditor who shall be an approved company auditor within the meaning prescribed under the Companies Act, shall be appointed by the Trustee in relation to the funds in the Grower's Fee Trust Account and the Reserve Fund Trust Account. The Auditor appointed must be independent of the Management Company and the Trustee whereby

such independence is to be determined by the relevant by-laws issued from time to time by the Malaysian Institute of Accountants.

The Auditor shall hold office until such time as he may voluntarily retire by giving three (3) months' written notice to the Trustee. Upon the retirement of the Auditor, the Trustee shall, with the consent of the Management Company, appoint another Auditor in its place.

The Trustee may, after consultation with the Management Company, from time to time if deemed appropriate remove the Auditor and appoint another auditor in its place.

Any costs and expenses incurred in connection with the retirement and/or removal of the Auditor shall be paid out of the Scheme's funds.

10.2 Trust Deed

(a) Inspection of Trust Deed

Copies of the Trust Deed (and supplemental deed(s), if any) shall at all reasonable times be open to inspection by any intending Applicant or any Grower at the Business Office of the Management Company during normal business hours and the Management Company shall at the request of such Applicant or Grower and upon payment by him to the Management Company of a sum to be determined by the Management Company but not exceeding Ringgit Malaysia One Hundred (RM100.00) supply such Applicant or Grower with a copy of the Trust Deed (and supplemental deed(s), if any).

(b) Grower bound by Trust Deed

Each Grower and all persons claiming through him will be entitled to the benefit of, be bound by, and be deemed to have notice of the provisions of the Trust Deed as if he had been a party to the Trust Deed.

10.3 No Property Vested in the Trustee

No property to which the interest herein relates is or will become vested in the Trustee.

10.4 Other Schemes

The Management Company has not entered into any other undertakings, schemes, enterprise or investment contracts involving the issue of interests to the public within the five (5) years preceding the date of this Prospectus.

10.5 Documents For Inspection

Copies of the following documents may be inspected at the Business Office during normal business hours, for a period of twelve (12) months for the date of this Prospectus:-

a) Memorandum and Articles of Association of the Management Company

b) the Trust Deed

c) the Grower's Management Agreement

d) the Register of Members

e) the Accountants' Report

f) the Independent Consultant's Report

g) the letters of consent referred to in **Clause 10.6**

10.6. Consents

The written consents of the Solicitors and Trustee to the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their names and Accountants' Report in the form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and had not subsequently been withdrawn.

The written consent of the Independent Consultant to the inclusion in this Prospectus of their names and Independent Consultant's Report in the form and context in which they appear in this Prospectus has been given before the issue of this Prospectus and had not subsequently been withdrawn.

10.7 Governing Law

The Trust Deed is governed by and construed in all respects in accordance with the laws of Malaysia and the parties thereto agree to submit to the non-exclusive jurisdiction of the Courts of Law of Malaysia.

10.8 Disclaimer Statements

No person is authorised to give any information or to make any representation not contained in this Prospectus in connection with the Scheme and, if given or made, such information or representation must not be relied upon as having been authorised by the Management Company. Neither the delivery of this Prospectus nor any sale made in connection with this Prospectus shall, in any circumstance and at any time, constitute a representation or create any implication that there has been no change in the Scheme's affairs since the date hereof.

Crowe Malaysia PLT
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11. ACCOUNTANTS' REPORT (prepared for inclusion in this Prospectus)

2.10.2026

The Board of Directors
Golden Agro Plantation (Mukah) Berhad
Level 7, Mercu 3,
No.3, Jalan Bangsar,
KL Eco City,
59200 Kuala Lumpur, Malaysia.

Dear Sirs

GOLDEN AGRO PLANTATION (MUKAH) BERHAD ("the Company" or "GAPM")
ACCOUNTANTS' REPORT ("Report")

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1. INTRODUCTION

This Report has been prepared by Crowe Malaysia PLT, an approved company auditor, for inclusion in the Prospectus of Golden Agro Plantation (Mukah) Berhad under Section 28 of the Interest Scheme Act 2016 to be dated 1 November 2026 in connection with the offer for the subscription of 29,240 Grower's Plots cumulatively under the Golden Agro Growers Scheme ("the Scheme") by the Company.

2. SCOPE OF WORK

The Report covers areas specifically set out in the following sections. The scope of our work conducted in the preparation of this Report does not constitute an audit and the information contained in this Report has not been independently verified by us.

This Report sets out the information provided to us by the management of GAPM and the financial information extracted from the audited financial statements of GAPM for the five financial years ended 31 December 2021 to 2025.

Crowe

2. SCOPE OF WORK (CONT'D)

We have obtained written confirmation from the management of GAPM for the factual accuracy, attribution of opinion and the material completeness of representations given, both written and oral.

3. GENERAL INFORMATION

3.1 Incorporation

Golden Agro Plantation (Mukah) Berhad was incorporated in Malaysia on 30 December 2009 as a private limited company under the name of Sun White Resources Sdn Bhd. On 9 November 2011, the Company changed its name to Golden Agro Plantation (Mukah) Sdn Bhd. The Company was subsequently converted to a public limited company and assumed its current name, Golden Agro Plantation (Mukah) Berhad, on 23 November 2011.

The Company is not listed on any stock exchange. The immediate holding company is Golden Agro Plantation Sdn Bhd, which is incorporated in Malaysia. The ultimate holding company is Swiss Bayview Sdn Bhd, a company incorporated in Malaysia.

3.2 Principal Activities

The Company is principally engaged in the business of developing oil palm plantations, carrying on oil palm plantation activities and operating and managing oil palm plantations and the Scheme. There have been no significant changes in the nature of these activities during the financial year.

Crowe

4. SHARE CAPITAL

The issued and paid-up share capital of Golden Agro Plantation (Mukah) Berhad as at 31 December 2025 was RM5,000,000 comprising 5,000,000 ordinary shares of RM1.00 each.

The movements in issued and paid-up share capital from the date of incorporation up to 31 December 2025 are as follows:-

Date of allotment	No. of shares allotted	Value per share RM	Consideration	Cumulative issued and paid-up share capital RM
30-12-2009	2	1.00	Cash	2
23-11-2011	999,998	1.00	Cash	1,000,000
19-12-2011	4,000,000	1.00	Cash	5,000,000

5. DIVIDEND/NET PROFIT

The net profit for year 2025 is RM216.89 per one (1) Grower's plot.

Crowe

6. RELEVANT FINANCIAL YEARS AND AUDITORS

The auditors of the Company for the financial years under review were as follows:-

Financial years	Auditors
1 January 2021 to 31 December 2021	Crowe Malaysia PLT
1 January 2022 to 31 December 2022	Crowe Malaysia PLT
1 January 2023 to 31 December 2023	Crowe Malaysia PLT
1 January 2024 to 31 December 2024	Crowe Malaysia PLT
1 January 2025 to 31 December 2025	Crowe Malaysia PLT

The audited financial statements for the relevant financial years were not subject to any audit qualification and did not contain any adverse comment made under Section 266(3) of the Companies Act 2016 in Malaysia.

7. GOLDEN AGRO GROWERS SCHEME ("THE SCHEME")

The Company owns a plantation land measuring approximately 5,096 hectares (equivalent to 12,587 acres) held under Lot No. 3, Block/Section No. 2, Baoh Land District, Mukah Division, State of Sarawak for a period of 60 years commencing 27 April 2006.

4,228 hectares (equivalent to 10,443 acres) of the above-mentioned land has been designated for the exclusive use under the Scheme ("the Plantation").

The Scheme will involve the offer to the public of an interest under the Scheme that entitles the holder to the Net Profit ("Grower's Plot") in respect of, and connected to the Plantation. Each Grower's Plot represents an interest relating to a 0.25 acre plot of the Plantation.

On 12 November 2012 ("the Launch Date"), each Grower's Plot had a subscription price of RM8,000. All subsequent Grower's Plots will be at such price as decided by the Company from time to time based on market forces. The Company may from time to time offer a discount to the grower's fee on such terms and conditions as it deems fit.

Crowe

7. GOLDEN AGRO GROWERS SCHEME ("THE SCHEME") (CONT'D)

Since the Launch Date, the Company has created 41,772 Grower's Plots under the Scheme relating to the Plantation, of which 29,240 (70%) Grower's Plots have been offered for public subscription and the remaining 12,532 (30%) Grower's Plots are designated as Reserved Grower's Plots. These reserved Grower's Plots may only be released for public subscription upon the approval of the Companies Commission of Malaysia.

The Company is obligated to pay Net Profit for each Grower's Plot over the duration of the Scheme. In addition, the Company has certain obligations to meet repurchase requests as stated in the Grower's Management Agreement ("GMA"). At the closure or expiry of the Scheme, the Company is required to refund the growers their proportionate share of net proceeds of sale of the Plantation in accordance with the GMA.

Each Grower's Plot shall entitle the grower with the right to enjoy the Net Profit which is derived from the computation set out in Paragraph 3.4 of the Prospectus.

As at 2 October 2026, a total of 508 Grower's Plots have been subscribed.

8. EXPIRY OF THE SCHEME

The tenure of the Scheme is 20 years, commencing from the Launch Date and expiring in the 20th year from the Launch Date ("Maturity Date").

Subject to Paragraph 3.10 of the Prospectus, upon the Maturity Date, all the Grower's Plots shall be caused to return to the Company. The Growers shall thereafter no longer be entitled to any Net Profit from their respective Grower's Plots and the Company shall refund to each Grower an amount based on the following procedures:-

(a) appoint an independent valuer to conduct a valuation of the Plantation at least 18 months prior to the Maturity Date;

(b) calculate the amount of refund based on the net proceeds of sale of the Plantation attributable to a quarter acre of the Plantation; and

(c) remit the amount calculated based on the computation set out in paragraph (b) above to the Growers within 30 days from the date of receipt by the Company of the total proceeds from such sale, disposal, assignment or transfer of the Plantation. Net proceeds are total proceeds less costs and expenses incurred in relation to the sale (including, but not limited to, valuation, legal and audit costs), taxes, duties, lawful set-offs, deductions, costs, expenses, charges and outgoings.

Crowe

9. OBLIGATION TO REPURCHASE

The Minister has granted an exemption period of 6 years ("Exemption Period") to the Company from the requirement of Section 47 of the Interest Scheme Act 2016, which exempts the Company from having to repurchase the Grower's Plots from the Grower during the Exemption Period. The Exemption Period shall commence from the Launch Date.

After the expiry of the Exemption Period, the Company is under the obligation to repurchase Grower's Plots at the request from any Grower as disclosed in Paragraph 3.6(b) of the Prospectus.

10. OTHER SCHEMES

The Company has not entered into any other undertaking, schemes or investment contracts involving the issue of interest to the public from the date of incorporation to the date of this Report, other than as disclosed in this Report.

11. THE TRUSTEE

My Premier Trustee (Malaysia) Berhad has been appointed as the Trustee to the Growers in respect of the Scheme to ensure the latter's compliance with such guidelines and requirements of the relevant authorities which may be issued from time to time and within the provisions of the Trust Deed dated 1 November 2012.

Crowe

12. SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The financial results for the years under review are set out below:-

		Financial Year Ended 31 December				
	Note	2025 RM'000 (Audited)	2024 RM'000 (Audited)	2023 RM'000 (Audited)	2022 RM'000 (Audited)	2021 RM'000 (Audited)
Revenue	12.1	29,509	23,287	28,015	37,640	34,679
Cost of sales		(18,395)	(20,795)	(23,372)	(20,464)	(16,370)
Gross Profit		11,114	2,492	4,643	17,176	18,309
Other income		800	249	2,802	1,687	990
Administrative expenses		(1,387)	(2,546)	(406)	(1,400)	(1,257)
Finance costs		(720)	(731)	(1,153)	(1,269)	(1,249)
Profit/(Loss) before taxation		9,807	(536)	5,886	16,194	16,793
Income tax expense	12.2	(2,591)	(433)	(1,285)	(2,469)	(6)
Profit/(Loss) after taxation		7,216	(969)	4,601	13,725	16,787
Other comprehensive income						
- transfer to profit or loss upon reinvestment		-	-	-	-	-
		-	-	-	-	-
Total comprehensive income for the year		7,216	(969)	4,601	13,725	16,787
Profit/(Loss) per ordinary share (sen)	12.3	144.32	(19.38)	92.02	274.50	335.74

Crowe

12. SUMMARISED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

Note:-

12.1 Revenue was generated from the sale of fresh fruit bunches.

12.2 The Company was subject to tax for the years.

12.3 Profit/(loss) per Ordinary Share

	Financial Year Ended 31 December				
	2025	**2024**	**2023**	**2022**	**2021**
Profit/(Loss) after taxation (RM'000)	7,216	(969)	4,601	13,725	16,787
Weighted average number of ordinary shares ('000)					
Issued ordinary shares at 1 January	5,000	5,000	5,000	5,000	5,000
Effect of new ordinary shares issued	-	-	-	-	-
Weighted average number of ordinary shares at 31 December	5,000	5,000	5,000	5,000	5,000
Basic profit/(loss) per ordinary share (sen)	144.32	(19.38)	92.02	274.50	335.74

The diluted earnings per share was not applicable as there were no dilutive potential ordinary shares outstanding at the end of the reporting period.

Crowe

13. SUMMARISED STATEMENTS OF FINANCIAL POSITION

The financial position of the Company as at the financial year-ends under review are set out below:-

	< As at 31 December >				
	2025 RM'000 (Audited)	**2024 RM'000 (Audited)**	**2023 RM'000 (Audited)**	**2022 RM'000 (Audited)**	**2021 RM'000 (Audited)**
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	56,633	60,134	63,075	65,800	68,532
Intangible assets	-	-	8	21	39
	56,633	60,134	63,083	65,821	68,571
CURRENT ASSETS					
Inventories	2,485	1,798	2,430	2,859	2,094
Biological assets	671	285	544	598	1,087
Other receivables, deposits and prepayments	1,478	1,309	1,285	1,112	639
Amount owing by related companies	996	6,340	6,348	6,522	9,094
Amount owing by ultimate holding company	58	45	45	25	4
Amount owing by immediate holding company	4	3,467	3,399	-	-
Short-term investments	4,548	2,052	722	936	616
Deposit with licensed banks	-	-	-	-	2,000
Cash and bank balances	495	356	425	398	502
Current tax assets	12	-	-	-	-
	10,747	15,652	15,198	12,450	16,036
	67,380	75,786	78,281	78,271	84,607
EQUITY AND LIABILITIES					
EQUITY					
Share capital	5,000	5,000	5,000	5,000	5,000
Retained profits /(Accumulated lossess)	4,012	(204)	765	(3,836)	(11,561)
	9,012	4,796	5,765	1,164	(6,561)

Crowe

13. SUMMARISED STATEMENTS OF FINANCIAL POSITION (CONT'D)

The financial position of the Company as at the financial year-ends under review are set out below (cont'd):-

	< As at 31 December >				
	2025 RM'000 (Audited)	**2024 RM'000 (Audited)**	**2023 RM'000 (Audited)**	**2022 RM'000 (Audited)**	**2021 RM'000 (Audited)**
NON-CURRENT LIABILITIES					
Growers' fees	4,683	4,595	3,077	5,632	5,634
Deferred tax liabilities	6,731	3,763	3,733	2,464	-
Hire purchase payables	-	-	-	-	182
	11,414	8,358	6,810	8,096	5,816
CURRENT LIABILITIES					
Trade payables	2,797	3,238	6,530	7,342	4,798
Other payables, deposits and accruals	959	783	674	733	607
Amount owing to director	-	-	-	-	7,787
Amount owing to immediate holding company	-	8,774	8,774	8,774	8,779
Amount owing to related companies	43,198	49,455	49,725	51,980	63,166
Hire purchase payables	-	-	-	182	213
Current tax liabilities	-	382	3	-	2
	46,954	62,632	65,706	69,011	85,352
TOTAL LIABILITIES	58,368	70,990	72,516	77,107	91,168
TOTAL EQUITY AND LIABILITIES	67,380	75,786	78,281	78,271	84,607
NET ASSET/(LIABILITIES) PER SHARE (RM)	1.80	0.96	1.15	0.23	(1.31)

Crowe

14. STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2025

The following is the statement of assets and liabilities of Golden Agro Plantation (Mukah) Berhad based on the audited financial statements as at 31 December 2025 and should be read in conjunction with the notes thereto:-

	Note	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	16.6	56,633
Intangible assets	16.7	-
		56,633
CURRENT ASSETS		
Inventories	16.8	2,485
Biological assets	16.9	671
Other receivables, deposits and prepayments	16.10	1,478
Amount owing by related companies	16.11	996
Amount owing by ultimate holding company	16.12	58
Amount owing by immediate holding company	16.13	4
Short-term investments	16.14	4,548
Cash and bank balances	16.15	495
Current tax assets		12
		10,747
TOTAL ASSETS		67,380
EQUITY AND LIABILITIES		
EQUITY		
Share capital	16.16	5,000
Retained profits		4,012
TOTAL EQUITY		9,012
NON-CURRENT LIABILITIES		
Growers' fees	16.17	4,683
Deferred tax liabilities	16.18	6,731
		11,414

Crowe

14. STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2025

The following is the statement of assets and liabilities of Golden Agro Plantation (Mukah) Berhad based on the audited financial statements as at 31 December 2025 and should be read in conjunction with the notes thereto (cont'd):-

	Note	RM'000
CURRENT LIABILITIES		
Trade payables	16.19	2,797
Other payables, deposits and accruals	16.20	959
Amount owing to related companies	16.11	43,198
		46,954
TOTAL LIABILITIES		58,368
TOTAL EQUITY AND LIABILITIES		67,380

Crowe

15. STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The following is the statement of cash flows of Golden Agro Plantation (Mukah) Berhad based on the audited financial statements for the financial year ended 31 December 2025 and should be read in conjunction with the notes thereto:-

	Note	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation		9,807
Adjustments for:-		
Changes in fair value of biological assets		(386)
Depreciation of property, plant and equipment		3,410
Fair value changes in financial liabilities		312
Fair value gain on short-term investments		(104)
Gain on disposal of property, plant and equipment		(45)
Property, plant and equipment written off		729
Interest expense		719
Interest income		(4)
Operating profit before working capital changes		14,438
Increase in inventories		(687)
Increase in receivables		(169)
Decrease in payables		(265)
Increase in amount owing by related companies		291
Decrease in amount owing to related companies		(1,995)
CASH FROM OPERATIONS		11,613
Interest paid		(754)
Income tax paid		(18)
Interest received		4
NET CASH FROM OPERATING ACTIVITIES		10,845
CASH FLOWS FOR INVESTING ACTIVITIES		
Increase in short-term investments		104
Purchase of property, plant and equipment	16.21(a)	(604)
Proceeds from disposal of property, plant and equipment		46
NET CASH FOR INVESTING ACTIVITIES		(454)
BALANCE CARRIED FORWARD		10,391

Crowe

15. STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

The following is the statement of cash flows of Golden Agro Plantation (Mukah) Berhad based on the audited financial statements for the financial year ended 31 December 2025 and should be read in conjunction with the notes thereto (cont'd):-

	Note	RM'000
BALANCE CARRIED FORWARD		10,391
CASH FLOWS FOR FINANCING ACTIVITIES		
Net changes in short-term investments held by trustees		(2,496)
Advance to immediate holding company		(5,311)
Advance to ultimate holding company		(12)
Dividend paid		(3,000)
Net advance from amount owing by a related company		5,053
Net repayment to related companies		(4,262)
Repurchase of growers' plot		(224)
NET CASH FOR FINANCING ACTIVITIES		(10,252)
NET INCREASE IN CASH AND CASH EQUIVALENTS		139
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		356
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	16.21(b)	495

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES

16.1 Corporate Information

The Company is a public company limited by shares, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office	: Level 7, Mercu 3, No.3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Malaysia.
Principal place of business	: 1st & 2nd Floor, No.2, Jalan Unggas Lorong 2 96000 Sibu, Sarawak

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

16.2 Principal Activities

The Company is principally engaged in the business of developing oil palm plantations, carrying on oil palm plantation activities and operating and managing oil palm plantations and the Scheme. There have been no significant changes in the nature of these activities during the financial year.

16.3 Holding Companies

The immediate and ultimate holding companies are Golden Agro Plantation Sdn Bhd and Swiss Bayview Sdn Bhd, respectively. Both the aforesaid holding companies are incorporated in Malaysia.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.4 Basis of Preparation

The financial statements of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

(a) During the current financial year, the Company has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on financial statements of the Company.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.4 Basis of Preparation (Cont'd)

(a) The Company has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Company upon their initial application except as follows:-

MFRS 18 *Presentation and Disclosure in Financial Statements* will replace MFRS 101 *Presentation of Financial Statements* upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements for the preparation and disclosure of information in the primary financial statements and notes. The potential impact of the new standard on the financial statements of the Company has yet to be assessed.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information

(a) Critical accounting estimates and judgements

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(i) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Company anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 16.6 to the financial statements.

(ii) Impairment of Non-trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions as well as forward-looking information. The carrying amount of other receivables as at the reporting date are disclosed in Notes 16.10 to the financial statements.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Company's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(i) Lease Terms

Some leases contain extension options exercisable by the Company before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information (Cont'd)

(a) Critical accounting estimates and judgements (Cont'd)

(ii) Fair value of growers' fees

The Company carries its growers' fees at fair value, with changes in fair values being recognised in profit or loss. In accordance with the terms and conditions of the Growers' Scheme, the Company has net yield payment obligation over 20 years (the duration of the Scheme), based on the net profits upon harvesting.

The fair value of the growers' fees has been determined using the discounted cash flows method of the underlying obligations, based on the significant assumptions as disclosed in Note 16.17 to the financial statements. When the actual results differ from the original projections, the differences may impact the carrying amount of the growers' fees.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information (Cont'd)

(b) Financial instruments (cont'd)

(i) Financial assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are measured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(ii) Financial liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transactions costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(iii) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information (Cont'd)

(c) Property, plant and equipment

(i) Bearer plants

Bearer plants, included within property, plant and equipment, are defined as living plants that are used in the production or supply of agricultural produce and for which there is only a remote likelihood that the plant will also be sold as agricultural produce. Bearer plants (before maturity), representing immature oil palm, are measured at cost, which consists of the costs incurred in the maintenance of the plantations. No depreciation is provided for immature bearer plants. Upon, maturity, bearer plants are measured at cost less accumulated depreciation and impairment losses, if any. Mature bearer plants are depreciated over the estimated useful lives of the bearer plants of 25 years.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information (Cont'd)

(c) Property, plant and equipment (cont'd)

(ii) Other Property, Plant and Equipment

All other items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Depreciation of property, plant and equipment is calculated using straight-line method to write off the depreciable amount of assets over their estimated useful lives. The principal annual depreciation rate are:-

Buildings	10%
Drainage, roads and bridges	4%
Nursery irrigation systems	10%
Motor vehicles, plant and machinery	20%
Equipment and furniture	10% - 20%
Renovation	20%

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information (Cont'd)

(d) Biological assets

Biological assets comprise produce growing on bearer plants.

Produce growing on bearer plants (i.e. FFBs) is classified as current assets as it is expected to be harvested and sold or used for production on a date not later than 12 months after the reporting date.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising on initial recognition and from changes in the fair value less costs to sell are recognised in profit or loss for the period in which they arise.

(e) Intangible assets

Computer software is initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Direct expenditure, which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured, is recognised as capital improvement and added to the original cost of the software. Cost associated with maintaining the computer software are recognised as an expense as incurred.

Capitalised computer software is subsequently carried at cost less accumulated amortisation and impairment losses, if any. These costs are amortised on a straight-line basis over the estimated useful lives of 3 years.

Gains or losses arising from derecognition of computer software are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in profit or loss when the assets are derecognised.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.5 Material Accounting Policies Information (Cont'd)

(f) Right-of-use assets and lease liabilities

(i) Short-term leases and leases of low-value assets

The Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(ii) Right-of-use assets

Right-of-use asset are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term. The principal annual periods and rates used as:-

Leasehold land	Over the lease period of 55 years

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.6 Property, Plant and Equipment

	At 1.1.2025 RM' 000	Additions RM' 000	Write-Off RM' 000	Depreciation Charge RM' 000	At 31.12.2025 RM' 000
2025					
Carrying amount					
Owned assets					
Bearer plants	39,453	465	-	(2,176)	37,742
Buildings, drainage, roads and bridge	15,920	-	-	(1,085)	14,835
Equipment and furniture	32	19	-	(16)	35
Motor vehicles, plant and machinery	100	185	-	(71)	214
Nursery irrigation systems	729	-	(729)	-	-
	56,234	669	(729)	(3,348)	52,826
Right-of-use asset					
Leasehold land	3,900	-		(93)	3,807
	60,134	669	(729)	(3,441)	56,633

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.6 Property, Plant and Equipment (Cont'd)

	At Cost RM' 000	Accumulated Depreciation RM' 000	Carrying Amount RM' 000
31.12.2025			
Owned assets			
Bearer plants	55,404	(17,662)	37,742
Buildings, drainage, roads and bridge	24,461	(9,626)	14,835
Equipment and furniture	1,492	(1,457)	35
Motor vehicles, plant and machinery	6,827	(6,613)	214
Renovation	-	-	-
	88,184	(35,358)	52,826
Right-of-use asset			
Leasehold land	5,107	(1,300)	3,807
	5,107	(1,300)	3,807
	93,291	(36,658)	56,633

(a) The leasehold land of the Company at the end of the reporting period is analysed as follows:-

	2025 RM' 000
Unexpired period of less than 50 years	3,807

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.6 Property, Plant and Equipment (Cont'd)

(b) The bearer plants of the Company at the end of the reporting period are classified into mature and immature plantations, as follows:-

	Mature Oil Palm Plantations RM' 000	Immature Oil Palm Plantations RM' 000	Total RM' 000
2025			
Cost:-			
At 1 January 2025	49,300	5,640	54,940
Additions during the financial year	-	465	465
Reclassifications	5,000	(5,000)	-
At 31 December 2025	54,300	1,105	55,405
Accumulated depreciation:-			
At 1 January 2025	15,486	-	15,486
Depreciation for the financial year	2,176	-	2,176
At 31 December 2025	17,662	-	17,662
Carrying amount:-			
At 31 December 2025	36,638	1,105	37,743

(c) The following expenses are included in immature plantations:-

	2025 RM '000
Depreciation of property, plant and equipment	31
Interest expenses:-	
- amount owing to related companies	34
Staff costs:-	
- short-term employees benefits	37
- defined contribution plans	4

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.6 Property, Plant and Equipment (Cont'd)

(d) The Company's leasing activity is summarised as below:-

(i) Leasehold land	The Company has made upfront payment to secure the right-of-use of the 55 years leasehold land, which is used in the Company's oil palm plantation operations. The Company is restricted from assigning and subleasing the leased assets.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.7 Intangible Assets

	At 1.1.2025 RM '000	Depreciation Charge RM '000	At 31.12.2025 RM '000
2025			
Carrying Amount			
Computer software	-	-	-

	At Cost RM '000	Accumulated Depreciation RM '000	Carrying Amount RM '000
31.12.2025			
Carrying Amount			
Computer software	140	(140)	-

16.8 Inventories

	RM '000
At cost:-	
Sundry stores and consumables	2,485

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.9 Biological Assets

	RM'000
At fair value:-	
At 1 January	285
Changes in fair value	386
At 31 December	671

The biological assets of the Company comprise unharvested agricultural produce of bearer plants, ie fresh fruit bunches ("FFB").

The Company adopted the income approach to measure the fair value of the unharvested FFBs. To arrive at the fair value of the unharvested FFBs, the management considered the oil content of the unripe FFBs and assumed that the net cash flows to be generated from FFBs prior to more than 2 weeks to harvest are negligible. Costs to sell, which include harvesting, transportation cost and windfall profit levy, are deducted from the fair value. The key assumptions used in the determination of the fair value less costs to sell of the unharvested FFBs are as follows:-

(i) estimated volume of unharvested FFBs as of the reporting date, with reference to the actual harvest data subsequent to the reporting date.

(ii) estimated prices of unharvested FFBs based on the market prices of FFBs as of the reporting date, adjusted for the oil content of the unripe FFBs.

(iii) estimated selling costs based on past practices and experience.

The fair value measurement of the Company's unharvested FFBs is categorised within level 3 of the fair value hierarchy.

The directors estimate that an increase in the price of FFBs and the production volume of FFBs by 10% would result in the carrying amount of biological assets increasing by RM67,000, with all other variables held constant.

During the financial year, the Company harvested approximately 38,000 tonnes of FFBs from oil palm plantations.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.10 Other Receivables, Deposits and Prepayments

	RM'000
Other receivables:-	
- third parties	215
Deposits	6
Prepayments	1,257
	1,478

16.11 Amount Owing by/(to) Related Companies

	RM'000
Amount Owing by Related Companies	
Current	
Non-trade balances	996
Amount Owing to Related Companies	
Current	
Trade balances	5,125
Non-trade balances	38,073
	43,198

(a) The trade balances are subject to the normal trade credit terms ranging from 30 to 75 days.

(b) The non-trade balance represents unsecured advances which are repayable on demand.

(c) Included in the amount owing to related companies is an amount of RM38,073,077 which is an unsecured advance granted to the Company by a fellow subsidiary. The advance carries interest at rates of 2.00% per annum and is repayable on demand.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.12 Amount Owing by Ultimate Holding Company

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand.

16.13 Amount Owing by Immediate Holding Company

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand.

16.14 Short-term Investments

	RM'000
At fair value:-	
Money market fund unit trusts in Malaysia	4,548

Included in short-term investments is an amount of RM755,251 which is held on trust under the Growers Scheme.

16.15 Cash and Bank Balances

Included in cash and bank balances is an amount of RM601, which is held on trust under the Growers Scheme.

16.16 Share Capital

	Number of Shares ('000)	RM'000
Ordinary shares		
Issued and Fully Paid-up		
At 31 December/1 January	5,000	5,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.17 Growers' Fees

	RM'000
At fair value:-	
Growers' fees	4,683

Growers' fees represent the amount received from growers under the Growers Scheme established pursuant to the Interest Schemes Act 2016 ("the Scheme"), for which the Company is obligated to pay an annual net profit over the duration of the Scheme.

The fair value of growers' fees is determined using the discounted cash flows method, and is derived from the present value of the future cash flows resulting from the obligations under the Scheme, computed based on the projections of financial budgets prepared by the management. The key assumptions used in the determination of the fair value are as follows:-

(a) Discount rate (pre-tax) – an estimate of pre-tax rate that reflects specific risks relating to oil palm plantation, which is 10% per annum.

(b) Growth rate – management's estimate of commodity prices, oil palm yields and oil extraction rates.

(c) Selling prices of fresh fruit bunches – an estimate based on expectations of future changes in the market.

(d) Development and direct costs – an estimate based on past practices and experience.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.18 Deferred Tax Liabilities

The deferred tax is attributable to the following:-

	At 1.1.2025 RM' 000	Recognised in Profit or Loss RM' 000	At 31.12.2025 RM' 000
2025			
Deferred Tax Liabilities			
Property, plant and equipment	12,628	(595)	12,033
Biological assets	68	93	161
Unused tax losses	(8,933)	3,470	(5,463)
	3,763	2,968	6,731

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.18 Deferred Tax Liabilities (Cont'd)

At the end of the reporting period, the amounts deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:

	RM'000
Unused tax losses	
- expires 31 December 2028	20,662
- expires 31 December 2029	2,102
	22,764
Deferred tax assets @ 24%, if recognised	5,463

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment, whereas, the unabsorbed agricultural/capital allowances are allowed to be carried forward indefinitely as detailed below:-

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.19 Trade Payables

The normal trade credit terms granted to the Company range from 30 to 120 days.

16.20 Other Payables, Deposit and Accruals

	RM'000
Other payables:-	
- third parties	29
Deposit	4
Accruals	926
	959

16.21 Cash Flows Information

(a) Purchase of Property, Plant and Equipment

	RM'000
Cost of property, plant and equipment purchased	669
Less: Finance costs included within property, plant and equipment	(34)
Less: Non-cash items	(31)
Cash disbursed for purchase of property, plant and equipment	604

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.21 Cash Flows Information (Cont'd)

(b) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:-

	RM'000
Cash and bank balances	495
Short-term investments	4,548
	5,043
Less: Short-term investments held by trustee	(4,548)
	495

16.22 Contingencies

On 12 December 2021, a part of the parcel of land described as Lot 5, Block 2, Boah Land District was acquired by the Government of Sarawak ("GOS") with a compensation of RM1,298,014. The Compensation was accepted under protest. The Company and Green Ace Resources Sdn. Bhd., the related company of the Company, are claiming for injurious affection against the GOS for a total amount of RM5,686,935. The case is fixed for trial on 29th July 2024. Hearing has been fixed on 4th July 2025. On 19th March 2026, the High Court awarded that the Golden Agro Plantation (Mukah) Berhad, additional compensation of the sum of RM118,032.

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments

The activities of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

(a) Financial risk management policies

The policies in respect of the major areas of treasury activity are as follows:-

(i) Market risk

Foreign currency risk

The Company does not have any transactions or balances denominated in foreign currencies and hence is not exposed to foreign currency risk.

Interest rate risk

The fixed rate debt instruments of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

Equity price risk

The Company does not have any quoted investments and hence is not exposed to equity price risk.

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(a) Financial risk management policies (cont'd)

(ii) Credit risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from its trade and other receivables. The Company manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

Credit risk concentration profile

The Company's concentration of credit risk in respect of trade receivables (including related companies) exists due to the Company's limited number of customers. Based on the Company's historical collection of these receivables, management believes that they are fully recoverable.

Maximum exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Company after deducting any allowance for impairment losses (where applicable).

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(a) Financial risk management policies (cont'd)

(ii) Credit risk (cont'd)

Assessment of Impairment Losses

At each reporting date, the Company evaluate whether any financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:-

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Company considers a receivable to be in default when the receivable is unlikely to repay its debt to the Company in full or is more than 90 days past due.

Crowe

16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(a) Financial risk management policies (cont'd)

(ii) Credit risk (cont'd)

Assessment of Impairment Losses (cont'd)

Amount Owing by Related Companies (Trade balance)

The Company applies the simplified approach to measuring expected credit losses using a lifetime expected credit loss allowance for related company.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure expected credit losses on a collective basis, related company are grouped based on shared credit risk characteristics and the days past due.

The Company measures the expected credit losses of all related company that are credit impaired with a high risk of default on an individual basis.

The expected loss rates are based on the Company's historical credit losses experienced, adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
2025			
Low credit risk	996	-	996

There has not been any significant change in the gross amounts of amount owing by related companies that impacted the allowance for impairment losses.

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(a) Financial risk management policies (cont'd)

(ii) Credit risk (cont'd)

Assessment of Impairment Losses (cont'd)

Other Receivables

The Company applies the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by related parties.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Company considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

Cash and Bank Balances

The Company considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Company is of the view that the loss allowance is immaterial and hence, it is not provided for.

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(a) Financial risk management policies (cont'd)

(ii) Credit risk (cont'd)

Assessment of Impairment Losses (cont'd)

Amount Owing by Related Companies (Non-trade balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company considers loans and advances to related companies have low credit risks. The Company assumes that there is a significant increase in credit risk when related companies' financial position deteriorates significantly.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the related companies do not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the related companies.

Allowance for Impairment Losses

At the end of the reporting period, there was no indication that the amount owing is not recoverable.

(iii) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Company practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(a) Financial risk management policies (cont'd)

(iii) Liquidity risk (cont'd)

	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undis-counted Cash Flows RM'000	On Demand or Within 1 Year RM'000	1-2 Years RM'000	2-5 Years RM'000
Trade payables	-	2,797	2,797	2,797	-	-
Other payables, deposit and accruals	-	959	959	959	-	-
Amount owing to related companies						
- interest bearing	2.00	38,073	38,073	38,073	-	-
- non-interest bearing	-	5,125	5,125	5,125	-	-
Growers' fees	10.00	4,683	4,683	4,683	-	-
		51,637	51,637	51,637	-	-

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(b) Capital risk management

The Company defines capital as the total equity and debt of the Company. The objective of the Company's capital management is to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related shareholder(s) value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Company manages its capital based on debt-to-equity ratio. As the Company has no debt base, the debt-to-equity ratio may not provide a meaningful indicator of the risk of borrowings.

(c) Classification of financial instruments

	RM'000
Financial Assets	
Amortised cost	
Other receivables and deposits	221
Amount owing by related companies	996
Amount owing by ultimate holding company	58
Amount owing by immediate holding company	4
Short-term investments	4,548
Cash and bank balances	495
	6,322

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(c) Classification of financial instruments (Cont'd)

	RM'000
Financial Liabilities	
Fair value through profit or loss	
Growers' fees	4,683
Amortised cost	
Trade payables	2,797
Other payables, deposit and accruals	959
Amount owing to related companies	43,198
	46,954

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(d) Fair value information

The fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			**Total Fair Value**	**Carrying Amount**
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	RM'000	RM'000
Financial Assets								
Short-term investments	4,548	-	-	-	-	-	4,548	4,548

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16. NOTES TO THE STATEMENT OF ASSETS AND LIABILITIES (CONT'D)

16.23 Financial Instruments (Cont'd)

(d) Fair value information (Cont'd)

The fair values above are for disclosure purposes and have been determined using the following basis:-

(i) The fair value of short-term investments is determined by reference to statements provided by respective financial institutions, with which the investments were entered into.

(ii) The fair value of growers' fees is determined using discounted cash flow projections based on a pre-tax rate that reflects specific risks relating to oil palm plantation.

(iii) The fair value of hire purchase obligations that carry fixed interest rates is determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period.

16.24 Audited Financial Statements

No audited financial statements have been prepared in respect of any period subsequent to 31 December 2025.

16.25 Significant Events Occurring After the Reporting Period

There were no material events which have arisen subsequent to 31 December 2025, which requires disclosure in this Report.

Yours faithfully

Crowe Malaysia PLT
201906000005(LLP0018817-LCA) & AF1018
Chartered Accountants

Ling Hang Ngee
Approval No: 03188/07/2027 J
Chartered Accountant

Sibu, Sarawak

12. INDEPENDENT CONSULTANT'S REPORT
(Prepared for the inclusion in this prospectus)

Date : 2 October 2026

The Board of Directors
Golden Agro Plantation (Mukah) Berhad
Level 7, Mercu 3,
No. 3, Jalan Bangsar,
KL Eco City,
59200 Kuala Lumpur, Malaysia.

Dear Sirs,

We are pleased to submit the Independent Consultant's Report for the inclusion of the Prospectus dated 1 November 2026 issued pursuant to Section 28 of the Interest Schemes Act 2016 in connection with the offer for sale of up to 41,772 Grower's Plots under the GOLDEN AGRO GROWERS SCHEME established pursuant to the Interest Schemes Act 2016 by Golden Agro Plantation (Mukah) Berhad ("the Management Company").

Agronomic Visit Report: No. 14/2026

Date of Visit: 02 & 03 July 2026

1. INTRODUCTION

This visit took place on 02 & 03 July 2026. The three primary objectives were:

a. To audit palm health and field maintenance standards, ensuring that both estates achieve their maximum yield potential.
b. The evaluate the progress of construction on the flood prevention bund along Sg. Baoh bordering M11.
c. To propose practical mitigating measures for any operational issues identified during the assessment.

2. AREA STATEMENT

There has been no change in hectarage since our previous visit on 19 & 20 January 2026. The area statement as of July 2026 is appended below.

FIELD	AREA (HA)
Mature	
M10	1,372.09
M11	1,003.06
Immature	
M10	10.00
M11	-
Total Planted Area	**2,385.15**

3. HUMAN RESOURCES

The Company continues to benefit from a stable and experienced leadership team, anchored by the Senior Manager (9 years) and the Manager of M11 (11 years). The only recent management transition occurred at M10, where the outgoing Manager, after six years of dedicated service to the Company, has been succeeded by a new appointee. Given the orderly succession, no disruption to estate operations has been observed.

Since our previous visit, there has been no staff turnover across either estate. The continuity has maintained operational momentum while avoiding the disruption and training lag typically associated with personnel changes. Equally encouraging is the capability shown by the staff. Routine field operations are now executed with minimal managerial guidance, reflecting the Company's sustained investment in training and competency development.

With regard to general workers, the stable workforce strength has translated into consistent operational performance. This is evidenced by satisfactory worker productivity and the timely completion of major field activities.

Collectively, these strengths have enabled the estate management to shift its focus from routine operational oversight towards higher-value priorities, particularly initiatives to improve fruit set and, ultimately, maximise oil extraction rate (OER).

4. RAINFALL

The annual rainfall data for 2024 and 2025 (January to December; 12 months) and the year-to-date rainfall for 2026 (January to July; 7 months) are presented below.

Total	Jan-Dec (12 months)				Jan-July (7 months)			
	2024		2025		2025		2026	
	mm	days	mm	days	mm	days	mm	Days
M10	4,265	201	3,873	200	2,536	105	1,683	111
M11	4,370	196	4,390	197	2,833	115	1,654	96

Rainfall during January-July 2026 was substantially lower than during the corresponding period in 2025, with both Estates recording their lowest cumulative rainfall for this period since 2023. However, rainfall distribution differed: M10 recorded more rain days despite the lowest cumulative rainfall, indicating more frequent but lighter rainfall, whereas M11 recorded declines in both cumulative rainfall and rain days.

Analysis of the first seven months of 2026 reveals considerable temporal variability in rainfall across both estates, comprising two months of water deficit (March and June) interspersed with one month of water surplus (January). However, the agronomic impacts of this erratic rainfall pattern differed markedly between the two estates and within each estate; in short, highly site-specific.

In M10, the adverse effects of moisture deficit were particularly pronounced within the Alan Batu areas, which account for approximately 13% of the estate. These edaphically constrained zones experienced moderate drought stress, evidenced by suboptimal fruit set and multiple unopened spears.

A further 15% of the estate, characterized by substantial overlying or underlying wood residues – but less severe edaphic constraints than the Alan Batu areas – exhibited only marginal drought effects. This relatively mild response suggests these soils possess a comparatively greater capacity to buffer against short-term moisture deficits.

Outside these localized areas, palm health across the remainder of M10 remained satisfactory, with no discernible impact attributable to the dry conditions.

In contrast, M11 benefited from the two isolated months of water deficit. Approximately two-thirds of the estate comprises low-lying terrain that are frequently subjected to prolonged flooding during periods of excessive rainfall. The brief dry spell therefore relieved long-term flooding stress, resulting in more favourable soil conditions for palm growth. This beneficial response was further reinforced by superior field practices and a more intensive fertilizer program, which have collectively contributed to the development of stronger and more resilient palms to short-term climatic fluctuations.

5. PALM APPEARANCE

The overall health and performance of palms across both estates are largely governed by site-specific edaphic and hydrological conditions. Based on these factors, the estates can be stratified into three distinct categories:

a. Category 1 (Flood-prone areas): Predominantly in the low-lying areas of M11.
b. Category 2 (Alan Batu zones): Predominantly in M10.
c. Category 3 (Normal terrain): The remaining areas in both estates.

The characteristics and agronomic implications of each category are discussed below.

Category 1

The comparatively drier conditions during the first seven months of 2026 provided a vital recovery window for the affected areas by improving the much-needed soil aeration. Equally important, the temporary reduction in inundation allowed harvesting intervals and weeding operations to return to normal following prolonged disruptions caused by poor field accessibility.

During our previous assessment, although the palms exhibited notable tolerance to prolonged waterlogging – with no significant signs of typical vegetative deterioration – bunch production was nonetheless compromised (Figures 1 and 2). This yield suppression was attributable to two principal factors: direct disruptions to harvesting operations arising from poor field accessibility, and reduced activity of pollinating weevil under persistently humid conditions, which resulted in suboptimal fruit set.

Following the improvement in soil aeration, the palms have shown clear signs of recovery. The canopies are now noticeably glossier, reflecting improved vegetative vigour, while bunches are emerging more consistently alongside a marked improvement in fruit set.

Collectively, these developments indicate a gradual recovery in both vegetative and reproductive performance.

Notwithstanding these encouraging developments, the long-term productivity of these flood-prone areas will remain highly dependent on the effectiveness of the near-completed flood-prevention bund in preventing brackish water intrusion from the adjacent Sg. Baoh. Once fully operational, the bund is expected to play a pivotal role in stabilizing the hydrological regime and mitigating recurrent flooding stress, thereby safeguarding palm health and sustaining long-term yield potential.

Category 2

The Alan Batu areas constitute the most edaphically constrained zones within both estates. Characterized by a shallow, woody soil profile, these areas restrict effective rooting depth, thereby limiting both moisture-holding capacity and nutrient reserves. Consequently, the palms are highly vulnerable to moisture deficits, with drought stress developing rapidly even after relatively brief periods of dry weather.

During our previous visit in January 2026, following the completion of palm mounding and desilting works, early signs of vegetative recovery were evident, although bunch production remained below potential.

However, this vegetative recovery was subsequently interrupted by two recent isolated periods of water deficit, effectively offsetting much of the progress gained from earlier field interventions. Lower frond desiccation – which had temporarily abated – has re-emerged; frond production has slowed to a near-stall, as evidenced by the presence of multiple unopened spears; and canopy glossiness has deteriorated noticeably. Collectively, these symptoms indicate a renewed onset of moisture stress (Figure 3).

In summary, palms within the Alan Batu areas are inherently less resilient than those in other parts of the estate, and therefore require closer monitoring and more intensive management, particularly during prolonged dry spells.

Immediate mitigation efforts should focus on achieving an effective balance between conserving soil moisture during dry periods and ensuring the rapid evacuation of excess water following flood events. Soil moisture conservation measures should include expanding the existing frond stacking areas to maximise ground cover and applying empty fruit bunch (EFB) mulch within the most vulnerable zones.

In parallel, management should liaise with the Visiting Agronomist to review the current fertilizer program and determine whether adjustments to nutrient rates, fertiliser sources, or application timing are warranted to better accommodate the prevailing moisture constraints.

Category 3

Among the three categories, palms on normal terrain – where neither prolonged flooding nor severe edaphic constraints prevail – exhibited the strongest overall vegetative growth and highest productivity.

Supported by consistently sound agro-management practices and an improved nutritional status, these palms continued to grow healthily. Between the two estates, improvements in both canopy vigour and reproductive performance were more pronounced in M11 than M10, reflecting a stronger overall recovery and production response.

With regard to vegetative health, the petiole and rachis dimensions of the younger frond-17 were noticeably larger than those of the older frond-25. This indicates that newly produced fronds are developing more vigorously despite the current growing conditions. The petioles also retained their characteristic whitish-green colouration, indicative of healthy and active vegetative growth. Concurrently, the incidence of lower frond desiccation had declined to minimal levels (Figure 4).

During our visit, most palms retained at least 36 functional fronds, while a small proportion carried more than 42 fronds. The latter is undesirable, as it reflects under-pruning – a condition that was more pronounced in the previously flooded areas, where prolonged water stagnation had disrupted routine pruning operations. Nevertheless, irrespective of frond number, the canopies were noticeably glossier than before.

Collectively, these positive developments have contributed to stronger canopy formation, improved light interception, and greater nutrient use efficiency, thereby supporting higher photosynthetic capacity and yield potential. These gains have been facilitated by a more favourable balance among soil moisture availability, root development, and nutrient uptake, enabling the palms to express their yield potential more effectively.

In terms of reproductive development, the current visit coincided with the onset of the historical peak cropping season. Within the normal terrain areas, approximately two-thirds of the palms in M10, and a higher proportion of about 80% in M11 were carrying at least six bunches per palm. More encouragingly, each successive developing bunch was consistently larger than the bunches currently approaching ripeness, indicating the potential for continued yield improvement over the coming months.

However, the potential for further bunch enlargement remains constrained by suboptimal pollination and fruit set. These limitations arise primarily from non-nutritional factors, including physical obstruction by intruding frond tips, under-pruning, and palm leaning.

With regard to canopy management, intruding frond tips, moribund fronds and excessive petioles from palms leaning against one another should be removed, while under-pruning must be avoided. These measures will improve light penetration and facilitate the movement of pollinating weevils within the canopy.

To further enhance pollination efficiency and fruit set, in-field weevil hatchery boxes should be strategically installed to complement the existing mass-release program, particularly in blocks with a history of suboptimal fruit set – most notably in M10. This approach is expected to support the establishment of a more sustained and evenly distributed resident weevil population across both estates.

Provided that fertilizer application, harvesting standards, canopy management and general field maintenance continue to be executed to a high standard, these normal terrain areas are expected to consistently deliver the highest yield potential among the three land categories across both estates.



Figure 1.

This photograph was taken during our previous visit in January 2026 in one of the flood-affected areas in M11, following approximately two months of continuous flooding.



Figure 2.

Taken from the same vantage point during the current visit, this photograph demonstrates that palm vigour has remained largely intact despite the prolonged flooding. The continued elongation of newly emerging fronds provides clear evidence that vegetative growth has proceeded uninterrupted throughout the flooding period.



Figure 3.

This photograph illustrates a palm within the Alan Batu area of M10 experiencing moisture stress, as evidenced by the accumulation of multiple unopened spears.



Figure 4.

The development of glossier canopies, minimal incidence of lower frond desiccation, and an adequate functional frond count collectively demonstrate satisfactory vegetative growth across most normal terrain. These positive trends lay a solid foundation for higher yield potential in the coming years.

6. FERTILISER APPLICATION

In response to the foliar analysis conducted in August 2025 – and taking into account fertilizers applied immediately following the sampling exercise, as well as those scheduled for application before the end of 2025 – the Visiting Agronomist formulated the 2026 Fertilizer Program.

The program comprises two rounds of NK Mixture together with single applications of MOP, boron, chelated zinc-copper, magnesium, and rock phosphate, complemented by selective applications of ground magnesium limestone (GML) – amounting to a total of eight fertilizer rounds for the year.

Due to supply chain delays, both estates are placing field applications one round behind schedule.

Despite this lag, both estates are well-positioned to recover the implementation timeline. Our optimism is supported by three key considerations:

a. The fertilizer supply chain has since stabilized, ensuring consistent material availability.
b. The single rounds of boron and chelated zinc-copper involve low application rates per palm, allowing for rapid field execution.
c. GML is limited to selected blocks, substantially reducing the overall operational workload.

With the exception of localized potassium and magnesium deficiency symptoms, the overall nutritional status of palms across both estates remained satisfactory during our visit (Figures 5 and 6). This indicates that the delayed fertilizer applications have, so far, had only a marginal impact on palm vigour.

These deficiency symptoms were notably more pronounced within the Alan Batu and low-lying areas, while occurring only sparingly across the normal terrain. This spatial distribution reinforces that long-term remediation requires a dual approach – combined targeted, timely fertilizer applications with non-nutritional interventions, particularly to field drainage and water management.

In accordance with the Company's quality assurance protocols, all received fertilizers underwent laboratory testing, and met all technical specifications outlined in their respective purchase orders.



Figure 5.

Captured in January 2026, this photograph illustrates a cluster of palms displaying moderately severe magnesium (Mg) deficiency in a flood-prone, hardpan-affected area of M10.



Figure 6.

Following remedial drain desilting and a corrective magnesium application, these symptoms have visibly mitigated, appearing markedly less severe during our current visit.

7. MANAGEMENT OF WEEDS

Taking advantage of the drier weather, the Management deployed its entire workforce to clear backlogs. This effort is reflected in the satisfactory weeding standard across both estates.

The inter-rows continue to be well-maintained, with good ground coverage dominated by *Nephrolepis* and soft grasses (Figure 7).



Figure 7.

A representative view of inter-row conditions across both estates, showing well-maintained ground cover dominated by *Nephrolepis*.

8. MANAGEMENT OF PESTS AND DISEASES

No significant fresh rat damage was observed during this visit, indicating that the previous rat baiting program has been effective. This favourable outcome reflects both the appropriate selection of rodenticide and an optimal bait replacement interval.

Similarly, neither estate experienced any major Tirathaba outbreaks during the period under review. This was primarily attributable to the natural decline in Tirathaba incidence as palms mature and increase in height, thereby creating conditions that are less conducive to infestation.

Meanwhile, routine monitoring by the census team enabled the early detection and prompt treatment of isolated termite infestations, preventing further spread and minimising potential damage.

An infestation of *Cephaleuros virescens* (red rust) was detected in two blocks located along the main road in M10. Colonisation remained localised to the three lowest frond whorls; however, algal mats covered up to approximately two-thirds of the leaflet surfaces within the affected fronds (Figure 8).

To prevent the infestation from progressing to the severity recently documented in Serian – where substantial yield losses were reported – immediate intervention is warranted:

a. Cultural measures: Improve field drainage and optimise pruning schedules to reduce prolonged moisture retention within the canopy.
b. Chemical control: Apply a targeted spray of copper hydroxide using a motorized power sprayer.



Figure 8.

Close-up view of algal leaf spot infestation on oil palm leaflets in M10.

9. CROP AND HARVESTING

Relative to the corresponding period in 2025, yield performance from January to July 2026 diverged markedly between the two estates: M10 recorded a modest increase of approximately 5.2%, whereas M11 registered a substantially stronger increase of 26.1%.

The most recent foliar analysis results revealed no significant variance in the overall nutritional status between the two estates, suggesting that the contrasting yield trends cannot be attributed to nutrient availability. Rather, the principal differentiating factors between M10 and M11 lie in their topographic, edaphic, and hydrological conditions.

M10's modest yield improvement was underpinned by an 11.0% increase in ABW relative to the corresponding period in 2025. Conversely, M11's substantially stronger yield increase was driven by a 30.1% rise in ABN, which more than compensated for the marginal 3.1% decline in ABW.

Fundamentally, the greater topographic and edaphic constraints in M10 render the estate considerably more vulnerable to both water deficit and water surplus. During dry spells, shallow rooting depth and limited soil moisture reserves accelerate the onset of moisture stress, thereby suppressing frond production, floral development and subsequent bunch formation. Conversely, the same drier conditions provide a valuable recovery window for M11 by alleviating prolonged soil saturation, improving soil aeration, and restoring feeder root activity within its flood-prone, low-lying zones.

Given the lengthy phenological lag between environmental stress, floral sex determination and the production of ripe harvestable bunches, the full yield benefits of the recently intensified field practices in M10 – namely desilting, upper trunk sanitation, and mass releases of pollinating weevils – are unlikely to become fully evident until 2027. Nevertheless, the overall recovery will remain dependent on the absence of major adverse weather anomalies during the intervening period.

10. PROGRESS OF FLOOD PREVENTION BUND IN M11

During this site inspection, compaction of the second layer of the flood mitigation bund was underway. This layer adds an additional 3 feet of elevation above the initial base layer. Rigorous compaction remains critical to ensuring the structural integrity of the bund before work proceeds to the third (final) layer (Figure 9).

To further secure the bund, Management should plant either Guatemala (*Tripsacum* sp.) or Vetiver (*Vetiveria zizanioides*) grass along the slope. While both are fast-growing bio-engineering options, Vetiver grass is significantly better suited for slope stabilization and erosion control.

Since commissioning, the sludge pump has functioned reliably and has effectively pumped floodwater out of the affected blocks. Based on the accelerated rate of water table decline during pump operation, we remain confident that prolonged inundation will be minimized. This rapid drainage will restore root zone aeration and promote prompt physiological recovery across the affected palms.



Figure 9.

This photograph shows the section of the bund that has been fully compacted.

The undersigned would like to take this opportunity to thank Mr. Lai Nan Foh (the Senior Manager) and the Management team for the kind hospitality rendered during this visit.

Report prepared by:

Seah Gim Yiuan
Director
Durio Palm Sdn. Bhd. (1366416-V)

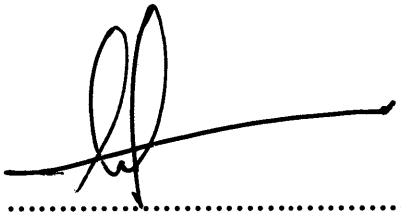
13. DIRECTORS' RESPONSIBILITY STATEMENT

This Prospectus has been seen and approved by the Directors of the Management Company and they jointly and severally accept full responsibility for the accuracy of the information given herein and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

THE DIRECTORS



.....
DATO' LIM KIM HUAT



.....
LESTER LIM SHEN YONG

Dated: 2 October 2026

Lodged by:

Messrs. C.K.Cheong & Seow
Advocates & Solicitors
B4-6, Block B, Sri Damansara Courts
Persiaran Kenanga
Bandar Sri Damansara
52200 Kuala Lumpur
Tel. No.: 016-2687966.

Lodged in the Office of the Registrar of Companies, Kuala Lumpur.

ANNEXURE

SAMPLE CALCULATIONS OF REPURCHASE LIMIT AND THE APPLICATION OF CLAUSE 3.6(b)(viii)

Year within Harvest Phase (during the Repurchase Period)	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12, etc**
Total % of Repurchase Request for the Year	0	3	6	3	2	4
Total % of Resold Plots	0	0	0	1	4	1
Repurchase % Reached	0	3	9	11	9	12
Repurchase Request Limit Exceeded by (%)	0	0	0	-1	0	-2

Repurchase Limit: 10% of Grower's Plots sold