

SARAWAK PLANTATION BERHAD
RECURRENT RELATED PARTY TRANSACTIONS (RRPT) OF A REVENUE OR TRADING NATURE

INTRODUCTION

The Board of Sarawak Plantation Berhad ("SPB") wishes to announce that its wholly owned subsidiary, Sarawak Plantation Agriculture Development Sdn. Bhd. (SPAD) has in the ordinary course of its business, entered into recurrent related party transactions ("RRPT") as per the details shown in Appendix 1. For the period from 1 February 2019 to 3 February 2020, the aggregate amount of such RRPT stands at RM8,980,968-00, exceeding the 1% percentage ratio.

RATIONALE

These RRPT are necessary for the efficient day to day running of the operations of SPB. They are made in the ordinary course of business and at arm's length on generally acceptable commercial terms not more favourable to the related parties. Further they are also not prejudicial to the interests of the minority shareholders of SPB.

FINANCIAL IMPACT OF THIS RRPT

These RRPT do not have any material effect on the net assets of the Group, share capital and substantial shareholders' shareholding of SPB.

RISKS IN RELATION TO THIS RRPT

Barring any unforeseen circumstances, the Board of SPB does not foresee any major risks in relation to these RRPT.

DIRECTORS AND MAJOR SHAREHOLDERS' INTEREST

The interested directors, major shareholders of SPB and persons connected with them as per Appendix 2 have abstained and will continue to abstain from deliberation on these RRPT.

Save as disclosed in Appendix 2, none of the other Directors and / or major shareholders of SPB and persons connected with them have any interests, direct or indirect, in these RRPT.

WHETHER THIS RRPT IS SUBJECT TO THE APPROVAL OF SHAREHOLDERS AND THE RELEVANT GOVERNMENT AUTHORITIES

These RRPT are not subject to the approval of the shareholders nor that of any government authorities.

STATEMENT BY THE AUDIT COMMITTEE

The Audit Committee, having considered the rationale of these RRPT, is of the view that these RRPT are:

- (a) fair, reasonable and based on generally acceptable commercial terms not more favourable to the Related Parties;
- (b) the terms, business practices and policies are in line with the industry's standards;
- (c) not prejudicial / detrimental to the interests of the minority shareholders; and
- (d) in the best interest of the Group.

DIRECTORS' RECOMMENDATION

The Board of SPB, with the exception of Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea, has considered all aspects of these RRPT and is of the opinion that these RRPT are established on normal commercial terms, are in the best interest of the Group and are not prejudicial / detrimental to the interests of the minority shareholders of SPB.

This announcement is dated 5 February 2020.

APPENDIX 1

Related Party	Nature of Transaction	Value of Transaction (RM)
Butrasemari Sdn. Bhd.	SPAD purchased oil palm seedlings from Butrasemari Sdn. Bhd.	118,000-00
Ta Ann Plywood Sdn. Bhd.	SPAD rented office space from Ta Ann Plywood Sdn. Bhd.	11,430-00
	SPAD purchased oil palm seedlings from Ta Ann Plywood Sdn. Bhd.	176,400-00
	SPAD sold materials to Ta Ann Plywood Sdn. Bhd. in relation to estate field activities	106,250-00
Ta Ann Pelita Ngemah Sdn. Bhd.	SPAD purchased oil palm seedlings from Ta Ann Pelita Ngemah Sdn. Bhd.	60,600-00
	SPAD sold oil palm seedlings to Ta Ann Pelita Ngemah Sdn. Bhd.	90,000-00
Mega Bumimas Sdn. Bhd.	SPAD purchased fresh fruit bunches from Mega Bumimas Sdn. Bhd.	997,337-00
Ta Ann Pelita Silas Plantation Sdn. Bhd.	SPAD purchased fresh fruit bunches from Ta Ann Pelita Silas Plantation Sdn. Bhd.	1,081,086-00
Sebubu Sdn. Bhd.	SPAD obtained services from Sebubu Sdn. Bhd. in relation to estate field activities	12,366-00
Multi Maximum Sdn. Bhd.	SPAD purchased materials from Multi Maximum Sdn. Bhd. in relation to estate field activities	2,610-00
Questate Sdn. Bhd.	SPAD rented office space from Questate Sdn. Bhd.	1,270-00
Eagle Forest Sdn. Bhd.	SPAD rented office space from Eagle Forest Sdn. Bhd.	1,270-00
Ladang Selezu Sdn. Bhd.	SPAD obtained services from Ladang Selezu Sdn. Bhd. in relation to estate field activities	8,939-00
Ta Ann Pelita Assan Plantation Sdn. Bhd.	SPAD purchased Kelampayan nursery seedlings from Ta Ann Pelita Assan Plantation Sdn. Bhd.	8,230-00

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Related Party	Nature of Transaction	Value of Transaction (RM)
TBS Oil Mill Sdn. Bhd.	SPAD sold fresh fruit bunches to TBS Oil Mill Sdn. Bhd.	2,239,436-00
PSS Oil Mill Sdn. Bhd.	SPAD purchased fresh fruit bunches from PSS Oil Mill Sdn. Bhd.	301,198-00
Acosafe Sdn. Bhd.	SPAD purchased insurance policies from Acosafe Sdn. Bhd.	634,372-00
Key Jaya Trading Sdn. Bhd.	SPAD purchased diesel from Key Jaya Trading Sdn. Bhd.	1,227,420-00
Key Ta Trading Sdn. Bhd.	SPAD purchased materials from Key Ta Trading Sdn. Bhd.	1,902,754-00
TOTAL for the period 1 February 2019 to 3 February 2020		8,980,968-00

APPENDIX 2

Related Party	Interested Related Party	Nature of Relationship
Butrasemari Sdn. Bhd.	<ul style="list-style-type: none"> - Dato Wong Kuo Hea 	<ul style="list-style-type: none"> - Director and Shareholder of SPB - Director and Shareholder of Palmhead Holdings Sdn. Bhd., a company who owns 100% equity interest in Butrasemari Sdn. Bhd.
Ta Ann Plywood Sdn. Bhd.	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a company who owns 100% equity interest in Ta Ann Plywood Sdn. Bhd. - Substantial Shareholder of SPB - Owns 100% equity interest in Ta Ann Plywood Sdn. Bhd.
Ta Ann Pelita Ngemah Sdn. Bhd.	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 60% equity interest in Ta Ann Pelita Ngemah Sdn. Bhd. - Substantial Shareholder of SPB - Shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 60% equity interest in Ta Ann Pelita Ngemah Sdn. Bhd.
Mega Bumimas Sdn. Bhd.	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 100% equity interest in Mega Bumimas Sdn. Bhd. - Substantial Shareholder of SPB - Shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 100% equity interest in Mega Bumimas Sdn. Bhd.

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<p>Ta Ann Pelita Silas Plantation Sdn. Bhd.</p>	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 60% equity interest in Ta Ann Pelita Silas Plantation Sdn. Bhd. - Substantial Shareholder of SPB - Shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 60% equity interest in Ta Ann Pelita Silas Plantation Sdn. Bhd.
<p>Sebubu Sdn. Bhd.</p>	<ul style="list-style-type: none"> - Dato Wong Kuo Hea 	<ul style="list-style-type: none"> - Director and Shareholder of SPB - Director and Shareholder of Palmhead Holdings Sdn. Bhd., a company who owns 100% equity interest in Sebubu Sdn. Bhd.
<p>Multi Maximum Sdn. Bhd.</p>	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a company who owns 85% equity interest in Multi Maximum Sdn. Bhd. - Substantial Shareholder of SPB - Owns 85% equity interest in Multi Maximum Sdn. Bhd.
<p>Questate Sdn. Bhd.</p>	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a company who owns 100% equity interest in Questate Sdn. Bhd. - Substantial Shareholder of SPB - Owns 100% equity interest in Questate Sdn. Bhd.
<p>Eagle Forest Sdn. Bhd.</p>	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 60% equity interest in Eagle Forest Sdn. Bhd. - Substantial Shareholder of SPB - Owns 60% equity interest in Eagle Forest Sdn. Bhd.

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Ladang Selezu Sdn. Bhd.	<ul style="list-style-type: none"> - Dato Wong Kuo Hea 	<ul style="list-style-type: none"> - Director and Shareholder of SPB - Director and Shareholder of Palmhead Holdings Sdn. Bhd., a company who owns 100% equity interest in Ladang Selezu Sdn. Bhd.
Ta Ann Pelita Assan Plantation Sdn. Bhd.	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 60% equity interest in Ta Ann Pelita Assan Plantation Sdn. Bhd. - Substantial Shareholder of SPB - Shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 60% equity interest in Ta Ann Pelita Assan Plantation Sdn. Bhd.
TBS Oil Mill Sdn. Bhd.	<ul style="list-style-type: none"> - Datuk Amar Abdul Hamed bin Sepawi and Dato Wong Kuo Hea - Ta Ann Holdings Berhad 	<ul style="list-style-type: none"> - Directors and Shareholders of SPB - Directors and Shareholders of Ta Ann Holdings Berhad, a shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 55% equity interest in TBS Oil Mill Sdn. Bhd. - Substantial Shareholder of SPB - Shareholder of Ta Ann Plantation Sdn. Bhd., a company who owns 55% equity interest in TBS Oil Mill Sdn. Bhd.
PSS Oil Mill Sdn. Bhd.	<ul style="list-style-type: none"> - Dato Wong Kuo Hea 	<ul style="list-style-type: none"> - Director and Shareholder of SPB - Director and Shareholder of Palmhead Holdings Sdn. Bhd., a company who owns 100% equity interest in PSS Oil Mill Sdn. Bhd.
Acosafe Sdn. Bhd.	<ul style="list-style-type: none"> - Dato Wong Kuo Hea 	<ul style="list-style-type: none"> - Director and Shareholder of SPB - Shareholder of Acotop Sdn. Bhd., a company who owns 45% equity interest in Acosafe Sdn. Bhd.
Key Jaya Trading Sdn. Bhd.	<ul style="list-style-type: none"> - Dato Wong Kuo Hea 	<ul style="list-style-type: none"> - Director and Shareholder of SPB - His brother is a shareholder and director of Key Jaya Trading Sdn. Bhd.

Related Party	Interested Related Party	Nature of Relationship
Key Ta Trading Sdn. Bhd.	- Dato Wong Kuo Hea	<ul style="list-style-type: none"> - Director and Shareholder of SPB - His brother is a shareholder of Key Ta Trading Sdn. Bhd. - His sister is a director of Key Ta Trading Sdn. Bhd.