

ANNUAL REPORT 2017



SARAWAK PLANTATION BERHAD

COMPANY NO. 451377-P
INCORPORATED IN MALAYSIA



COVER RATIONALE

This cover has depth in its messaging with its clean approach. The representation subtly implies the Company's efforts in being green and sustainable in its business practices and culture.

The continuous rise of the ladder reflects the Company's direction to focus on increasing productivity as well as their quest and commitment to consistently push themselves towards their goals.

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VISION

**TO BE A FULLY
INTEGRATED
HIGH PERFORMING
ENTERPRISE WITH
DIVERSIFIED
BUSINESS**

MISSION

**WE MAXIMISE
STAKEHOLDERS' VALUES
THROUGH SUSTAINABLE
DEVELOPMENT BY
ACTIVELY ENGAGING
THE BEST BUSINESS
PRACTICES**

CORPORATE VALUES

Integrity...

Trustworthy and accountable

We stand by high moral values and principles, emphasising transparency in all our conduct, being faithful and honest, and being accountable and taking full responsibility for our business decisions and results.

Professionalism...

Ethical application of knowledge

We stress on ethical conduct in the discharge of our duties, ensuring high quality service both within and outside the organisation.

Excellence & Result Oriented...

Always be driven to achieve results beyond stakeholders' expectations

We are result oriented, setting high performance standards for ourselves. We focus on outcomes and achievements, delivering superior performance to stakeholders through sustainable development, hence building a socially responsible organisation.

Team Spirit...

Respect and sharing

We respect each other and recognise contributions by each individual. We encourage effective working relationships via an environment which encourages mutual support and care, co-operation and sharing of knowledge and experience.

Innovative...

Growing through change and moving ahead of the times

We encourage creativity in our business to produce significant organisational improvements, we welcome new ideas and believe in being forward looking in our business.

CORPORATE PROFILE



Sarawak Plantation Berhad (SPB) was incorporated in Malaysia on 28 October 1997 as a private limited company under the name of Sarawak Plantation Sdn. Bhd. and commenced business in the same year. SPB was converted into a public company on 1 February 2000 and assumed its present name.

Sarawak Plantation Berhad (SPB) was specially incorporated as the vehicle company for the privatisation of Sarawak Land Development Board's (SLDB) assets.

The privatisation of SLDB's assets, comprising oil palm plantations, milling facilities and related assets, was effected in 1997 through the transfer of SLDB's assets to SPB Group (comprising SPB and its

subsidiaries). With this privatisation, all principal assets of SLDB are owned and managed by SPB and certain of its subsidiaries.

The Group is principally engaged in the cultivation and processing of oil palm into crude palm oil and palm kernel. Other businesses include seed production, cattle integration, provision of laboratory and management services and property investment.

SPB is one of the pioneer players in the oil palm industry in Sarawak. Currently the Group has a total land bank of 48,056 hectares (ha) of which 1,855 ha is under the Native Customary Rights (NCR) scheme. In addition, 417 ha is under joint venture development with a government statutory body.

The Group owns twenty (20) oil palm estates with a total planted area of 35,687 ha as at 31 December 2017.

The Group also owns and operates 2 palm oil mills, with a total operating capacity of 150 mt/hour, located at Niah and Mukah, respectively.

Details of the Group's business and operation are contained in the Management Discussion and Analysis Section of this Annual Report.

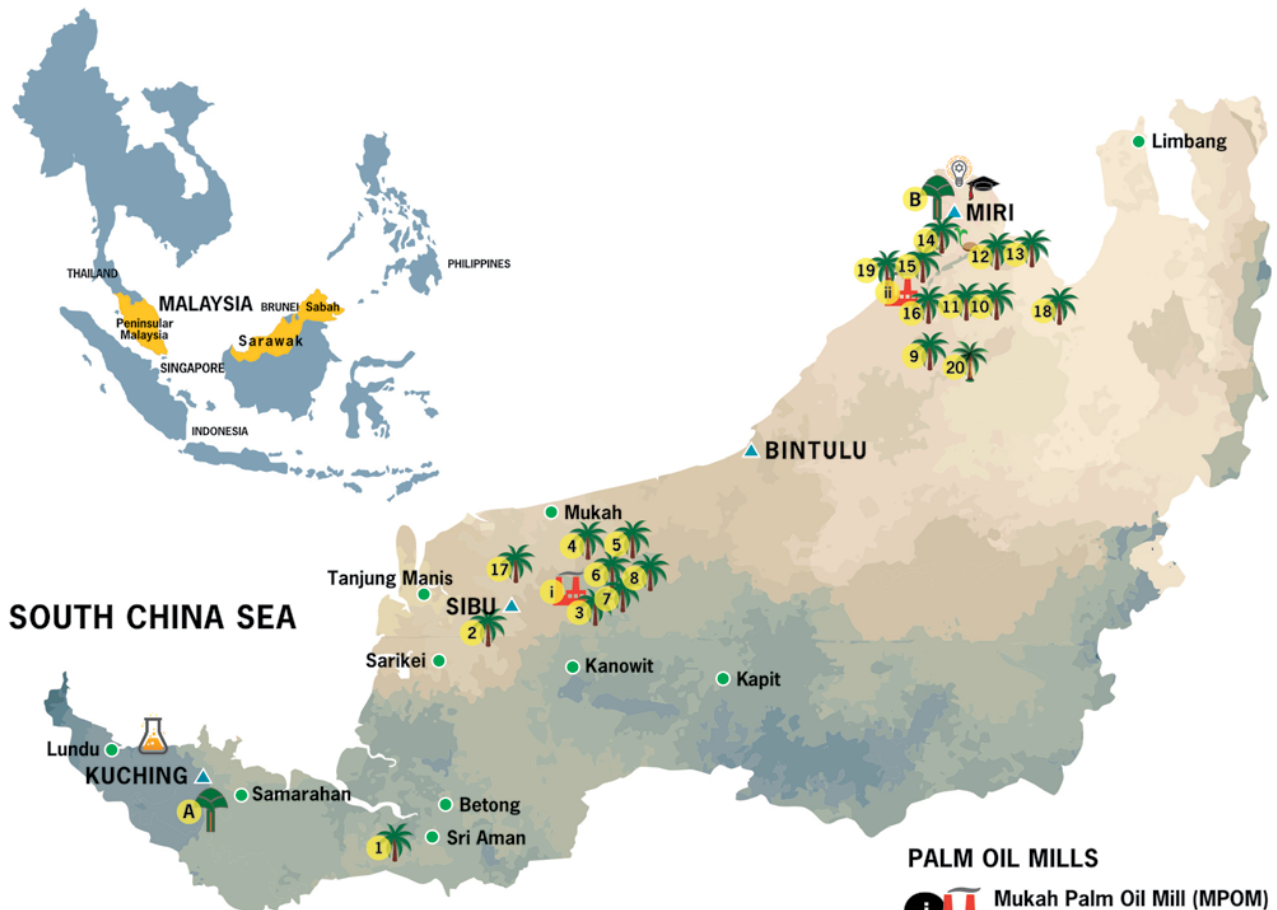


Nursery



Palm Oil Mill

LOCATIONS OF OPERATING UNITS



PLANTATIONS

- | | |
|---|--|
| 1 Melugu (2,996 ha)
KM16 Sri Aman/Serian Road | 11 Subis 2 (2,735 ha)
1KM off KM87 Miri/Bintulu Road |
| 2 Tulai (2,079 ha)
3KM off KM20 Sibu/Sarikei Road | 12 Ladang Surea (1,820 ha)
4KM off KM55 Miri/Bintulu Road |
| 3 Mukah 1 (3,877 ha)
KM12 Selangau-Matadeng Road | 13 Bukit Peninjau (2,142 ha)
8KM off KM53 Miri/Bintulu Road |
| 4 Matadeng (1,848 ha)
5KM off KM35 Selangau-Matadeng Road | 14 Sungai Tangit (1,698 ha)
3KM off KM71 Miri/Bintulu Road |
| 5 Bakau (3,993 ha)
6KM off KM24 Selangau-Matadeng Road | 15 Ladang 3 (2,251 ha)
KM77 Miri/Bintulu Road |
| 6 Bukut (1,561 ha)
18KM off KM20 Selangau-Matadeng Road | 16 Ladang Kosa (2,844 ha)
KM78 Miri/Bintulu Road |
| 7 Mukah 3 (3,013 ha)
20KM Selangau-Matadeng Road | 17 Tugau (3,050 ha)
37KM off KM15 Sibu - Teku
via Rantau Panjang |
| 8 Sri Duan (2,651 ha)
10KM off KM20 Selangau-Matadeng Road | 18 Pinji Mewah (1,908 ha)
45KM off KM53 Miri/Bintulu Road
via Beluru-Bakong Road |
| 9 Sawai (2,725 ha)
14KM off KM106 Miri/Bintulu Road | 19 Karabungan (417 ha)
4KM off KM77 Miri/Bintulu Road |
| 10 Subis 3 (2,559 ha)
6KM off KM87 Miri/Bintulu Road | |

PLANTATIONS (NCR) Native Customary Rights (NCR) Joint Venture

- 20** **SPB Pelita Suai** (Gross: 2,128 ha)
13KM off KM108 Miri/Bintulu Road
(planted 1,855 ha)

PALM OIL MILLS

- i** **Mukah Palm Oil Mill (MPOM)**
KM13 Selangau-Matadeng Road
- ii** **Niah Palm Oil Mill (NPOM)**
2KM off KM75 Miri/Bintulu Road

SEED PRODUCTION

- Seed Production Unit**
4KM off KM55 Miri/Bintulu Road

STRATEGIC INNOVATION/ PRODUCTIVITY CENTRE

- Strategic Innovation/
Productivity Centre**
KM15 Miri/Bintulu Road

TRAINING CENTRE

- SP Training Centre**
KM15 Miri/Bintulu Road

LABORATORY

- SP Lab**
Lot 2497, Blk 14, Salak LD,
Jalan Sultan Tengah, Petra Jaya,
Kuching, Sarawak

SPB OFFICES

- A** **Registered Office**
8th Floor, Wisma NAIM,
2½ Mile, Rock Road,
93200 Kuching, Sarawak.

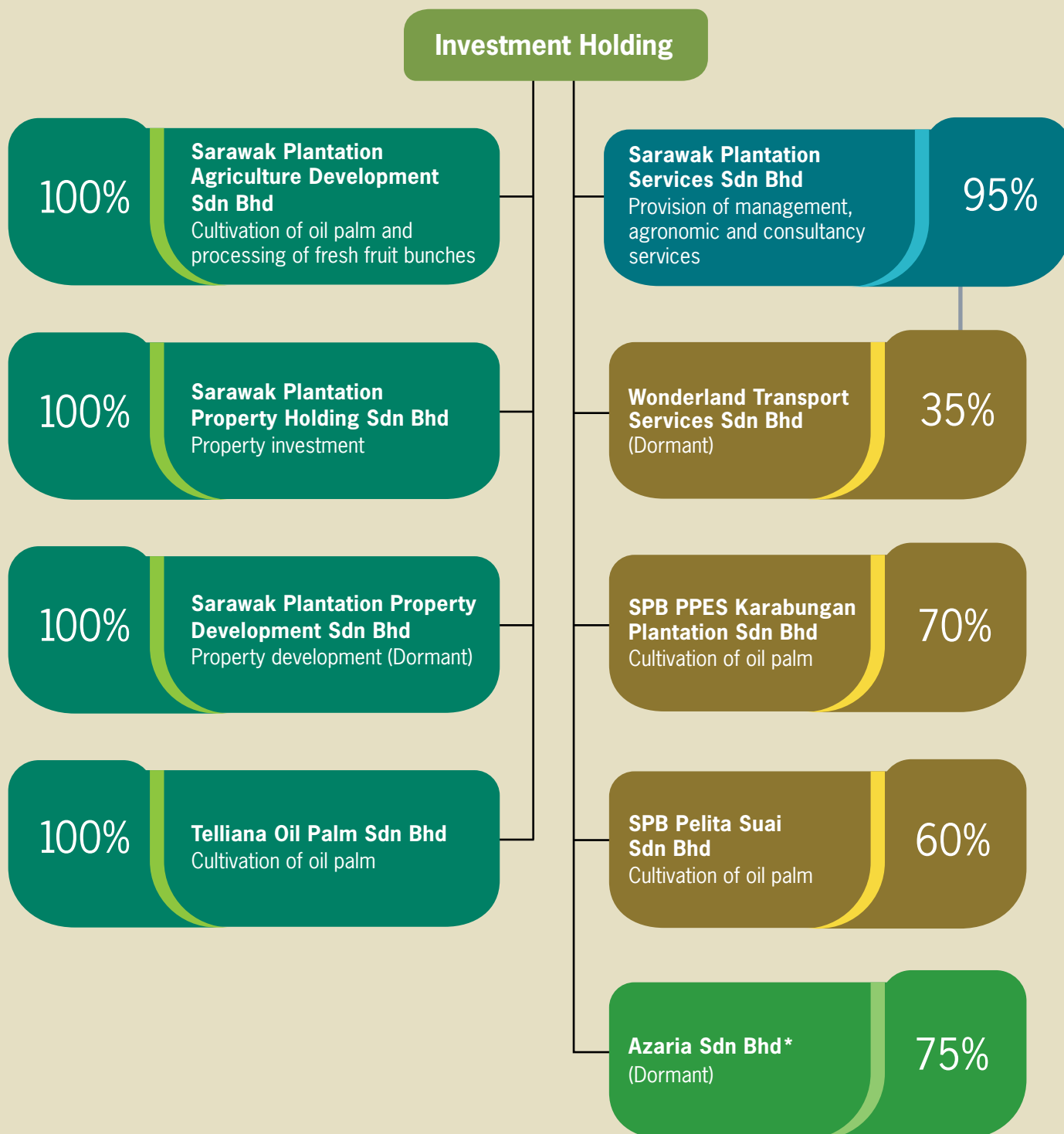
- B** **Business Office**
Lot 1174, Block 9,
MCLD Miri Waterfront,
Jalan Permaisuri,
98000 Miri, Sarawak.

CORPORATE STRUCTURE



SARAWAK PLANTATION BERHAD

COMPANY NO.451377-P • INCORPORATED IN MALAYSIA



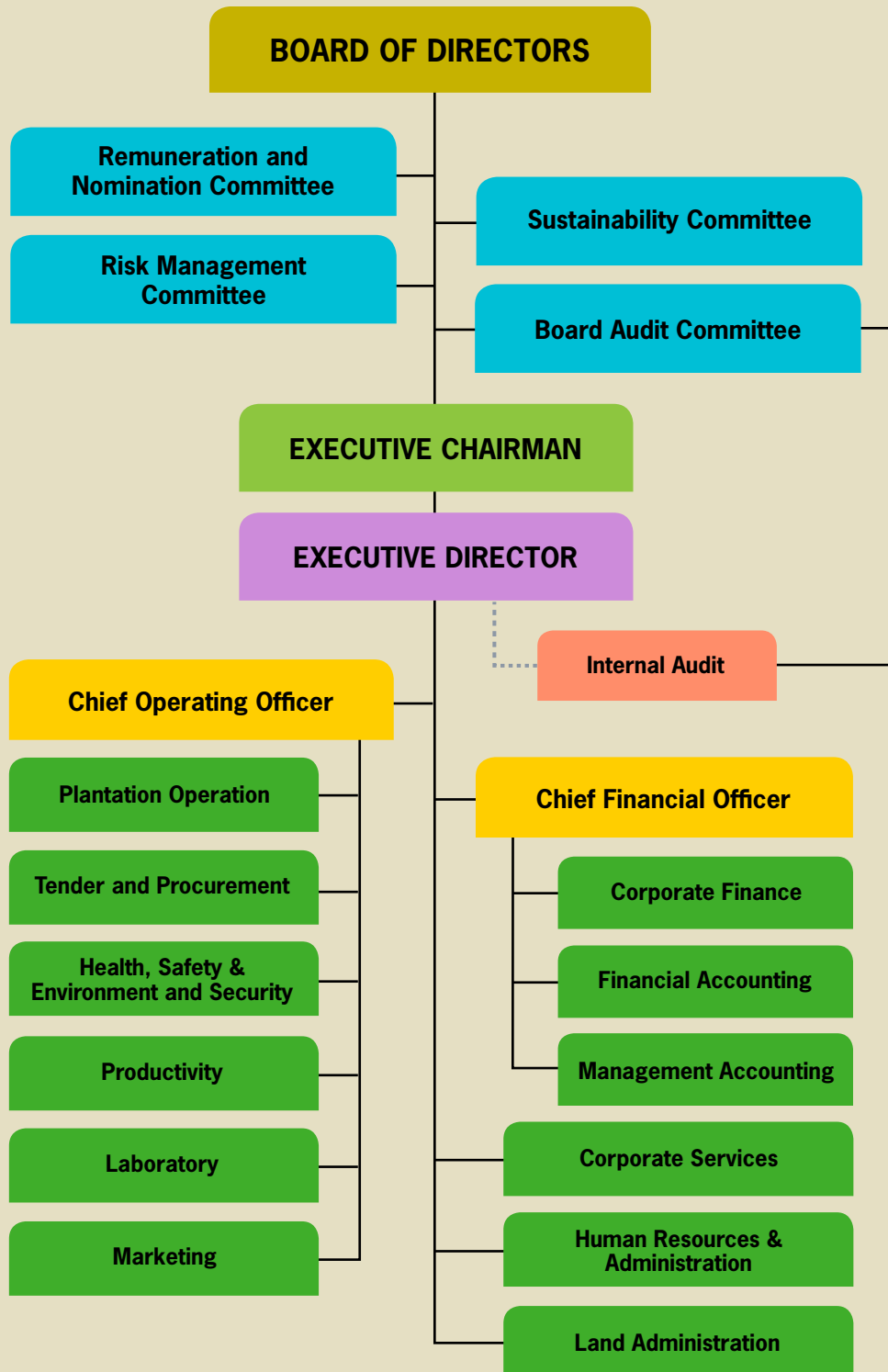
* In the progress of winding up

ORGANISATIONAL STRUCTURE



SARAWAK PLANTATION BERHAD

COMPANY NO.451377-P • INCORPORATED IN MALAYSIA



CORPORATE INFORMATION

Board of Directors

EXECUTIVE CHAIRMAN

Datuk Amar Abdul Hamed bin Sepawi

EXECUTIVE DIRECTOR

Dato Wong Kuo Hea

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Hasmawati binti Sapawi

INDEPENDENT NON-EXECUTIVE DIRECTORS

Umang Nangku Jabu

Datu Haji Chaiti bin Haji Bolhassan

Azizi bin Morni

Ali bin Adai

Company Secretary

Trina Tan Yang Li (0666-KT032)

Registered Office

8th Floor, Wisma NAIM, 2½ Mile, Rock Road,
93200 Kuching, Sarawak, Malaysia.

Tel: 6 082-233550/233560/233570

Fax: 6 082-256560

Email: info@spbgroup.com.my

Business Office

Lot 1174, Block 9, MCLD Miri Waterfront,
Jalan Permaisuri, 98000 Miri, Sarawak, Malaysia.

Tel: 6 085-413814 Fax: 6 085-416192

Email: info@spbgroup.com.my

Company Website

www.spbgroup.com.my

Share Registrar

TRICOR INVESTOR & ISSUING HOUSE
SERVICES SDN. BHD.

Unit 32-01, Level 32, Tower A,

Vertical Business Suite,

Avenue 3, Bangsar South No.8,

Jalan Kerinchi, 59200 Kuala Lumpur.

Tel: 6 03-27839299 Fax: 6 03-27839222

Auditors

KPMG PLT (LLP0010081-LCA & AF0758)

Level 2, Lee Onn Building, Jalan Lapangan Terbang,
93250 Kuching, Sarawak, Malaysia.

Tel: 6 082-596200

Principal Bankers

CIMB BANK BERHAD

1st Floor, Lot 2691-2, Block 10 KLCD, 3rd Mile,
Rock Road, 93200 Kuching, Sarawak, Malaysia.

Tel: 6 082-419072

AMBANK (M) BERHAD

No. 162, 164, 166 & 168,

1st Floor, Jalan Abell, 93100 Kuching

P.O. Box 3240, 93762 Kuching,

Sarawak, Malaysia.

Tel: 6 082-244791

Stock Exchange Listing

MAIN MARKET OF BURSA MALAYSIA

SECURITIES BERHAD

on 28 August 2007

Sector: Plantation

Stock Code: 5135

Stock Name: SWKPLNT

MESSAGE TO OUR SHAREHOLDERS



On behalf of the Board of Directors, it gives me great pleasure to present the Company's Annual Report for the financial year ended 31 December 2017, our tenth full year of operation since our listing on the Main Market of Bursa Malaysia on 28 August 2007.

2017 PERFORMANCE

For the financial year 2017, the Group achieved a revenue of RM399.2 million, compared to RM384.0 million in 2016, an increase of 4%, with higher profits from operating activities.

However, the Group recognised impairment losses of RM43.0 million, most of which are related to encumbered estates in Mukah Region. These impairment losses were recognised due to continuing inability to harvest fresh fruit bunches ("FFB") from these areas.

As a result, the Group recorded a net loss of RM10.3 million in 2017 compared against a net profit of RM22.2 million in 2016.

ACQUISITION OF STAKE IN THE COMPANY BY TA ANN HOLDINGS BERHAD

Cermat Ceria Sdn Bhd, being the single largest shareholder of SPB, had on 11 January 2018, entered into a conditional share sale agreement with Ta Ann Holdings Berhad ("Ta Ann"), to dispose its entire shareholdings held in SPB, which is equivalent to 30.39% stake in the Company, to Ta Ann. On 23 March 2018, Ta Ann obtained its shareholders' approval for the said acquisition, thus fulfilling the conditions precedent in the conditional share sale agreement.

With the completion of the said share sale agreement on 28 March 2018, we welcome Dato Wong Kuo Hea on board as the Executive Director. Dato Wong has vast experience in the plantation business and operation. He is currently the Group Managing Director / Chief Executive Officer of Ta Ann.

This corporate restructuring enables the Company to leverage on Ta Ann's experience and expertise in plantation management. With the appointment of Dato Wong as the Executive Director of the Company, the focus will be placed on the transformation and reform of the Group's management and to strengthen and improve the standard operating procedures for the plantations to push for a better yield in the coming year.



Kosa Estate

MESSAGE TO OUR SHAREHOLDERS

WAY FORWARD AND SUSTAINABILITY

In facing the continuous and anticipated challenging business environment, the Board recognises the importance of increasing productivity and improving fresh fruit bunches (“FFB”) production as of utmost priority.

Great emphasis is placed on organisational and operational enhancement with the aim to increase productivity and production. Resources are allocated for areas that will immediately impact production and productivity as the Board recognises the need for immediate improvements in operation to bring the level of production to that of the industry standards.

The Board is confident that with these improvements in place, the Group will achieve better results in the near future.

We stress the importance of adopting sustainable agriculture practices to ensure sustainability. Our aim is to always ensure that profitability is balanced with the protection of environment and the stakeholders. In this regard, the Group focuses on Malaysian Sustainable Palm Oil (MSPO) certification. Kosa and Ladang 3 Estates as well as Niah Palm Oil Mill were selected as pilot sites for the implementation of MSPO. External audits have been completed for these three sites and certification is expected to be obtained within the first half of 2018.

On the other hand, gap analysis for other estates and mill of the Group is in progress. Improvements are carried out gearing towards MSPO compliance.



Ladang 3 Estate



Bakau Estate

PROSPECTS AND OUTLOOK

The outlook for palm oil industry in 2018 is challenging. Nevertheless, we believe that the Malaysian palm oil industry outlook remains positive both in a mid-term and long-term perspective.

We are committed to grow our business and strengthen our position for the benefit of our esteemed stakeholders and continue to pursue value creation potentials for our shareholders.

APPRECIATION

We would like to convey our sincerest thanks to our shareholders for their continued support and belief in Sarawak Plantation Berhad. We would also like to thank all the State and Federal Government Ministries, Departments, Statutory Bodies and Regulatory Agencies who have offered us such close cooperation and support throughout 2017, along with other relevant authorities.

Heartfelt thanks are also due to our joint venture partners, vendors, consultants, professional advisors, service providers and community neighbours for their goodwill and unstinting efforts. Last but not least, we would like to reserve the warmest thanks to our directors and all the employees of SPB for their hard work and professionalism.

Thank you.

Datuk Amar Abdul Hamed Bin Sepawi
Executive Chairman

BOARD OF DIRECTORS



**DATUK AMAR ABDUL
HAMED BIN SEPAWI**
Executive Chairman

Datuk Amar Abdul Hamed (male), aged 69, was appointed to our Board on 30 August 2005 and redesignated as Non Executive Chairman on 11 March 2011. On 1 November 2017, he was redesignated to the position of Executive Chairman. Educated at Malay College, Kuala Kangsar, he holds a BSc from the University of Malaya, a BSc (Forestry) from the Australian National University, Canberra, and a Master's degree in Forest Products Utilisation from Oregon State University, United States. He is Chairman of our Board Sustainability Committee.

He has more than 28 years of experience in forest and plantation management and the manufacturing of forest products. For the last 21 years, he has been actively involved in various industries such as construction, property development, oil and gas, oil palm plantations and Information and Communication Technology ("ICT"). He was the recipient of the Sarawak State Entrepreneur of the Year Award for 2004 and 2005 and was nominated for the Malaysia Entrepreneur of the Year Award 2005. He was awarded the Panglima Gemilang Bintang Kenyalang in September 1999 and the Datuk Amar Bintang Kenyalang in September 2012. In 2014, he was the winner of the Inaugural 2014 Sarawak State Outstanding Entrepreneurship Award and in 2015, he was adjudged The BrandLaureate "Man of the Year" Brand ICON Leadership Award.

He is the Executive Chairman of Ta Ann Holdings Berhad, a forestry and plantation company based in Sarawak, Chairman of a property and construction company, Naim Holdings Berhad, both of which are listed on the Main Market of Bursa Malaysia. He is also the Chairman of Sarawak Energy Berhad, a power utility company wholly owned by the Sarawak State Government.

BOARD OF DIRECTORS



DATO WONG KUO HEA
Executive Director

Dato Wong Kuo Hea (male), aged 67, was appointed as our Executive Director on 28 March 2018. Dato Wong has vast exposure and experience in both the timber and oil palm industries. Since 1999, he holds the Group Managing Director / Chief Executive Officer position in Ta Ann Holdings Berhad (“Ta Ann”), a company listed on the Main Market of Bursa Malaysia. He was named one of the best CEOs by Focus Malaysia in their weekly issues in December 2016. He is a member of our Board Sustainability Committee.



**HASMAWATI BINTI
SAPAWI**
**Non Independent
Non Executive Director**

Hasmawati Sapawi (female), aged 50, was appointed as our Director on 25 November 2011. She holds a Bachelor of Arts (Hons, Economics) Canada, a Master of Business Administration Australia and a Master of Environment Management (Development Planning), Malaysia. She is currently the director of the Corporate Services and Investment Division of the State Financial Secretary’s Office (Sarawak), handling corporate finance and investment activities. She joined the State Financial Secretary’s Office in 2006, prior to which she had worked in a state agency and a government-linked company. She also sits on the boards of several state government-linked companies.

BOARD OF DIRECTORS



UMANG NANGKU JABU
Independent Non
Executive Director

Umang Jabu (female), aged 41, was appointed as our Director on 1 May 2007. She holds a Bachelor of Business (Business Information Systems) and a Masters of Finance, both from RMIT University in Melbourne, Australia. She also holds a Graduate Diploma in Industrial and Employee Relations and Master of Management in Human Resource in Management, both from Monash University, Melbourne, Australia. She is Chairman of our Board Audit Committee.

She has been working in the private sector as a Director of a number of companies. Puan Umang has also been a member of the Board of Trustees of the Iban Women's Charitable Trust since 2009.



**DATU HAJI CHAITI BIN
HAJI BOLHASSAN**
Independent Non
Executive Director

Datu Haji Chaiti (male), aged 64, was appointed as our Director on 30 August 2005. On 20 December 2012 he was redesignated from Non Independent Non Executive Director to Independent Non Executive Director. He holds a Bachelor of Social Science with Honours from University Sains Malaysia and a Master's Degree in Public Administration from the University of Southern California, Los Angeles. He also attended the Senior Executive Fellow Program (SEF) at Harvard University, USA. He is a member of our Board Audit Committee, Board Sustainability Committee and the Chairman of our Remuneration and Nomination Committee.

He is currently the "Pegawai Tadbir Khas" in the Ministry of Modernisation of Agriculture, Native Land and Regional Development, Sarawak. Prior to this he held various positions in the State Civil Service including Permanent Secretary of the Ministry of Rural Development, Permanent Secretary of the Ministry of Rural and Land Development, Director of Human Resource Management (Chief Minister's Department), Principal Assistant Secretary in the Ministry of Resource Planning, Assistant Training Officer (Chief Minister's Department) and Administrative Officer in the Resident's & District Office, Sri Aman.

Datu Haji Chaiti is a Director of the Sarawak Development Institute, Saratok Palm Oil Mill Sdn Bhd and Bau Palm Oil Mill Sdn Bhd. He was conferred several honours including the Pingat Perkhidmatan Bakti (Perak), Sijil Penghargaan Perkhidmatan Cemerlang, Pingat Perkhidmatan Cemerlang (Emas) (PPC), Pingat Terpuji Delima (PTD), Darjah Johan Setia Mahkota (JSM) and Darjah Jasa Bakti Sarawak (DJBS) and Pingat Jubli Emas in conjunction with the 50th Anniversary of Sarawak's Independence.

BOARD OF DIRECTORS



AZIZI BIN MORNI
Independent Non
Executive Director

Azizi Morni (male), aged 45, was appointed as our Director on 1 May 2007. He holds a Bachelor of Laws Degree (Hons) from the University of Malaya and was admitted to the High Court of Sabah and Sarawak in October 2000. He is a member of our Board Audit Committee, our Remuneration and Nomination Committee and our Risk Management Committee.

He began his legal career with Messrs. Sim & Yee Advocates and later joined Messrs. Khaider Zaidell & Company Advocates as a partner in 2001 before setting up his sole proprietor practice under the name of Azizi Ariffin Advocates & Solicitors in 2003. In January 2006, he merged his practice with Messrs. Chen Chieng Ning & Company to form Messrs. Chen Ching Ning & Azizi Advocates. In July 2010, Azizi Morni became a founding partner of Messrs. Kubeta Partners Advocates but left in March 2017 to practice under the name of Messrs. Azizi, Shafrina & Co. Azizi Morni's work over the years has covered civil litigation and conveyancing, servicing both private and corporate clients. He has been a Councillor with the Majlis Bandaraya Kuching Selatan since 2016.



ALI BIN ADAI
Independent Non
Executive Director

Ali Adai (male), aged 62, was appointed as our Director on 27 February 2013. He holds a Bachelor of Arts from the University of Guelph Canada. He is a member of our Board Audit Committee, Remuneration and Nomination Committee and the Chairman of our Risk Management Committee. Until his retirement on 31 March 2013, he was employed with CIMB Bank as the Regional Director for East Malaysia (Sabah and Sarawak). He was responsible for managing 29 bank branches and for developing CIMB's retail, commercial and enterprise banking businesses in East Malaysia. He is the Chairman of Dayang Enterprise Holdings Berhad, a company listed on the Main Market of Bursa Malaysia.

CONFLICT OF INTEREST

Save as disclosed below, none of our Directors or substantial shareholders of our Company have any interest, direct or indirect, in any business carrying on a similar trade as our Group.

Company	Principal Activities	Major Products
Datuk Amar Abdul Hamed bin Sepawi		
Ta Ann Holdings Berhad	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Palm oil products
Ta Ann Plantation Sdn. Bhd.	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Palm oil products
Ta Ann Plywood Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Mega Bumimas Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Multi Maximum Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Durin Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Igan Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Silas Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Assan Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Pelitama Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Baleh Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Ngemah Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Sebuyau Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Butrasemari Sdn. Bhd.	Oil palm plantation	Palm oil products
Europalm Sdn. Bhd.	Oil palm plantation	Palm oil products
Zumida Oil Palm Sdn. Bhd.	Oil palm plantation	Palm oil products
Manis Oil Sdn. Bhd.	Operation of palm oil mill	Palm oil products
Igan Oil Mill Sdn. Bhd.	Operation of palm oil mill	Palm oil products
Palmhead Holdings Sdn. Bhd.	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Palm oil products
Ladang Selezu Sdn. Bhd.	Oil palm plantation	Palm oil products
Sebubu Sdn. Bhd.	Oil palm plantation	Palm oil products
Palmhead Sdn. Bhd.	Oil palm plantation	Palm oil products
Medan Sepadu Sdn. Bhd.	Investment holding The company holds 30% equity interest in KUB Sepadu Sdn. Bhd. whereby its principal activity is the cultivation of oil palm	Palm oil products
Pekan Semangat Sdn Bhd	Investment holding (cultivation of oil palm via its subsidiary)	Palm oil products
Agrogreen Ventures Sdn Bhd	Cultivation of oil palm	Palm oil products
TBS Oil Mill Sdn Bhd	Operation of palm oil mill	Palm oil products
Daro Oil Mill Sdn Bhd	Planned palm oil mill subsidiary	Palm oil products

CONFLICT OF INTEREST

Save as disclosed below, none of our Directors or substantial shareholders of our Company have any interest, direct or indirect, in any business carrying on a similar trade as our Group.

Company	Principal Activities	Major Products
Dato Wong Kuo Hea Ta Ann Holdings Berhad	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Palm oil products
Ta Ann Plantation Sdn. Bhd.	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Palm oil products
Ta Ann Plywood Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Mega Bumimas Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Multi Maximum Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Durin Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Igan Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Silas Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Assan Plantation Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Pelitama Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Baleh Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Ngemah Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Ta Ann Pelita Sebuyau Sdn. Bhd.	Cultivation of oil palm	Palm oil products
Butrasemari Sdn. Bhd.	Oil palm plantation	Palm oil products
Europalm Sdn. Bhd.	Oil palm plantation	Palm oil products
Zumida Oil Palm Sdn. Bhd.	Oil palm plantation	Palm oil products
Manis Oil Sdn. Bhd.	Operation of palm oil mill	Palm oil products
Igan Oil Mill Sdn. Bhd.	Operation of palm oil mill	Palm oil products
Palmhead Holdings Sdn. Bhd.	Investment holding (cultivation of oil palm and milling of palm oil via its subsidiaries)	Palm oil products
Ladang Selezu Sdn. Bhd.	Oil palm plantation	Palm oil products
Sebubu Sdn. Bhd.	Oil palm plantation	Palm oil products
Palmhead Sdn. Bhd.	Oil palm plantation	Palm oil products
Agrogreen Ventures Sdn Bhd	Cultivation of oil palm	Palm oil products
TBS Oil Mill Sdn Bhd	Operation of palm oil mill	Palm oil products
Daro Oil Mill Sdn Bhd	Planned palm oil mill subsidiary	Palm oil products
Datu Haji Chaiti bin Haji Bolhassan Bau Palm Oil Mill Sdn. Bhd. Saratok Palm Oil Mill Sdn. Bhd.	Processing of oil palm products Processing of oil palm products	Palm oil products Palm oil products
Umang Nangku Jabu DD Palm Oil Mill Sdn. Bhd. Pasir Jaya Development Sdn. Bhd.	Processing of oil palm products Cultivation of oil palm	Palm oil products Palm oil products

Additional Information

- All Directors are Malaysian citizens.
- None of our Directors have been convicted of any offences within the past five years and no public sanction or penalty were imposed on any of our Directors by the relevant regulation bodies during the financial year.
- There is no family relationship between the Directors and/or major shareholders of the Company except that Ali bin Adai is the brother in-law of Datuk Wahab bin Haji Dolah, a substantial shareholder of Ta Ann Holdings Berhad. Ta Ann Holdings Berhad is a substantial shareholder of the Company.
- For our Directors' attendance at Board Meetings held during the year in review, please refer to page 35 of this Annual Report.
- For our Directors' securities holdings in SPB, please refer to page 134 of this Annual Report.

KEY MANAGEMENT PERSONNEL



DATO WONG KUO HEA **Executive Director**

Dato Wong Kuo Hea was appointed as the Executive Director of the Company on 28 March 2018. He is currently spearheading the organisational transformation of the Group and leading the Management in running and managing the day to day operation. His detailed profile is in the Board of Directors section of this Annual Report.

ISWANDI BIN AYUB **Chief Operating Officer**

Iswandi Bin Ayub (male), aged 30, is one of our key management personnel since 22 August 2017. He holds a Bachelor of Engineering in Chemical and Nanotechnology from Massey University, New Zealand.



He worked as Residential Advisor with Massey University Halls Community Group in 2009 - 2010 and as Business Analyst with ANZ Bank in 2010 - 2011. He joined the Group in 2012 as trainee at Niah Palm Oil Mill and appointed as Research Executive in 2013. He sets up Strategic Innovation Centre for the Group in 2014 and was appointed Acting Head Plantation Operation on 22 August 2017 further appointed as the Chief Operating Officer on 2 April 2018.

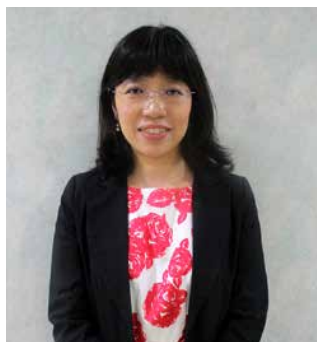
He does not hold any directorship in public companies.

KEY MANAGEMENT PERSONNEL

KOAY BEE ENG

Chief Financial Officer

Koay Bee Eng (female), aged 49, is one of our key management personnel since 2012. She holds a Bachelor Degree (Hons) in Accountancy from Universiti Utara Malaysia. She is a Member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.



She worked with PricewaterhouseCoopers (formerly known as Pricewaterhouse) from 1994 to 2006 and has accounting and auditing experiences in various industries. She joined Sarawak Plantation Berhad as its Corporate Finance Manager in 2007. She was appointed the Chief Financial Officer in March 2014.

She does not hold any directorships in public companies.

TRINA TAN YANG LI

Corporate Legal and Secretarial Manager

Trina Tan Yang Li (female), aged 50, is one of our key management personnel since 2008. She holds a Bachelors of Law Degree (Hons) and a Masters of Law Degree, both from the Queen Mary College, University of London. She is a Member of the Middle Temple, London and has also been admitted to the High Court of Malaya and the High Court of Sabah and Sarawak.



She began practicing law in 1992 and joined Sarawak Plantation Berhad as its Legal Officer in 2000. She was appointed the Corporate Legal and Secretarial Manager in February 2008.

She does not hold any directorships in public companies.

- All Key Management Personnel are Malaysian citizens.
- None of our Key Management Personnel have been convicted of any offences in the past five years and no public sanction or penalty were imposed on any of our Key Management Personnel by the relevant regulatory bodies during the financial year.
- There is no family relationship between the Key Management Personnel and/or directors/major shareholders of the Company except Iswandi bin Ayub who is the grand nephew of our Executive Chairman.

5 YEARS' FINANCIAL HIGHLIGHTS

Year	2017	2016	2015	2014	2013
Revenue (RM'000)	399,177	383,967	334,232	389,901	362,052
(Loss)/Profit before tax (RM'000)	(1,546)	25,728	22,475	70,044	44,564
(Loss)/Profit attributable to owners of the Company (RM'000)	(10,253)	22,211	21,297	61,292	39,685
Total assets (RM'000)	865,429	902,301	785,865	771,367	754,830
Net assets (RM'000)	628,579	638,831	629,201	616,290	582,954
Total equity attributable to owners of the Company (RM'000)	628,579	638,831	629,201	616,290	582,954
Total number of shares ('000)	280,000	280,000	280,000	280,000	280,000
Net assets per share (RM)	2.25	2.29	2.25	2.20	2.08
Basic (loss)/earnings per share (sen)	(3.7)	7.9	7.6	21.9	14.2
Dividend per share (sen)	-	-	4.5	9.0	8.0
Gearing ratio (times)	0.23	0.21	0.11	0.06	0.12

5 YEARS' OPERATIONAL HIGHLIGHTS

5 years hectareage, Fresh Fruit Bunches ("FFB") production and yield by age profile

	Unit	2017	2016	2015	2014	2013
FFB PRODUCTION VOLUME						
Old Mature	mt	35,081	25,342	32,323	52,482	65,241
Prime Mature	mt	142,632	171,617	209,284	160,988	156,271
Young Mature	mt	56,996	39,605	38,697	75,606	87,706
Total	mt	234,709	236,564	280,304	289,076	309,218
YIELD						
Old Mature	mt/Wha	7.20	7.01	8.07	10.43	11.35
Prime Mature	mt/Wha	8.92	9.94	12.66	11.99	12.25
Young Mature	mt/Wha	8.03	8.27	9.46	11.72	13.49
Average	mt/Wha	8.39	9.22	11.38	11.60	12.37
PLANTED HECTARAGE (weighted average)						
Oil Palm						
- Mature	Wha	29,338	27,003	26,247	26,552	26,728
- Immature	Wha	7,678	7,247	7,947	6,815	4,918
Total planted hectareage	Wha	37,016	34,250	34,194	33,367	31,646
MATURE HECTARAGE (weighted average)						
- Old Mature	Wha	5,141	3,819	4,279	5,371	6,154
- Prime Mature	Wha	16,908	18,253	17,604	14,304	13,598
- Young Mature	Wha	7,289	4,931	4,364	6,877	6,976
Total	Wha	29,338	27,003	26,247	26,552	26,728
Less : Estates Roads	Wha	1,374	1,333	1,624	1,639	1,725
Mature Hectareage (Net)	Wha	27,964	25,670	24,623	24,913	25,003

Wha - Weighted hectareage (average for the year by reference to maturity)

Old Mature - 21 years onwards

Prime Mature - 11 to 20 years

Young Mature - 3 to 10 years

5 years FFB production and yield by region

	Unit	2017	2016	2015	2014	2013
FFB PRODUCTION VOLUME						
Northern Region	mt	157,238	170,985	229,197	247,021	271,702
Central Region	mt	77,471	65,579	51,107	42,055	37,516
Total	mt	234,709	236,564	280,304	289,076	309,218
YIELD						
Northern Region	mt/Wha	11.60	13.08	16.03	15.96	16.61
Central Region	mt/Wha	5.38	5.20	4.95	4.46	4.34
Average	mt/Wha	8.39	9.22	11.38	11.60	12.37

5 YEARS' OPERATIONAL HIGHLIGHTS

5 years Mill Performance

	2017	2016	2015	2014	2013
FFB Processed (mt)					
Niah Mill	357,059	353,253	406,250	447,292	445,034
Mukah Mill	227,969	228,597	241,451	231,497	210,367
Total	585,028	581,850	647,701	678,789	655,401
Output of Crude Palm Oil ("CPO") (mt)					
Niah Mill	72,532	73,237	85,121	94,883	94,370
Mukah Mill	44,947	44,089	47,421	46,859	42,444
Total	117,479	117,326	132,542	141,742	136,814
Output of Palm Kernel ("PK") (mt)					
Niah Mill	15,318	15,599	18,250	20,312	19,961
Mukah Mill	10,220	10,601	11,104	10,181	9,427
Total	25,538	26,200	29,354	30,493	29,388
Average Oil Extraction Rate (OER%)					
Niah Mill	20.31	20.73	20.95	21.21	21.21
Mukah Mill	19.72	19.29	19.64	20.24	20.18
Average	20.08	20.16	20.46	20.88	20.87
Average Kernel Extraction Rate (KER%)					
Niah Mill	4.29	4.42	4.49	4.54	4.49
Mukah Mill	4.48	4.64	4.60	4.40	4.48
Average	4.37	4.50	4.53	4.49	4.48

5 years sales volume and average selling price

	2017	2016	2015	2014	2013
Sale volume (mt)					
CPO	117,408	116,912	132,640	141,756	138,990
PK	25,474	25,961	29,607	30,207	30,265
Selling Price (RM/MT)					
CPO	2,761	2,601	2,125	2,351	2,269
PK	2,371	2,406	1,469	1,575	1,216

MANAGEMENT DISCUSSION AND ANALYSIS



Sarawak Plantation Group is principally engaged in the cultivation and processing of oil palm into crude palm oil and palm kernel. The oil palm business contributes over 99% of the Group's revenue and earnings.

Pinji Mewah Estate

OVERVIEW OF BUSINESS AND OPERATION

(a) Oil Palm Business

The Group owns 20 oil palm estates. The total planted hectareage is 35,687 hectares ("ha") (exclude estate roads), representing 74% of the total land bank of 48,056 ha. This includes 1 estate the size of 1,855 ha developed under the Native Customary Rights ("NCR") joint venture concept.

The Group owns 2 palm oil mills with a total operating capacity of 150 metric tonne per hour (mt/hour).

The bulk of oil palm operations are carried out by SPB's main subsidiary, Sarawak Plantation Agriculture Development Sdn Bhd ("SPAD"). Another subsidiary, Telliana Oil Palm Sdn Bhd, owns 3,050 ha of vacant land which will be progressively developed into an oil palm plantation.

The Group, through another subsidiary, SPB PELITA Suai Sdn Bhd ("SP Suai"), had in the year 1999/2000 developed and fully planted 1,855 ha of NCR land with oil palm.

Most of the Group's harvested fresh fruit bunches ("FFB") are processed at the Group's Niah Palm Oil Mill and Mukah Palm Oil Mill. Niah Palm Oil Mill situated at Niah and Mukah Palm Oil Mill situated at Mukah have an operating capacity of 90 mt/hour and 60 mt/hour respectively. Both mills also purchase crops from small holders, FFB traders and other third party estates.

(b) Other Activities

Seed Production Unit

The Group's seed production unit has the capacity to produce 2 million seeds per annum. These high quality seeds carry the brand name of Surea DxP, are certified by SIRIM and are licensed for sale by the Malaysian Palm Oil Board ("MPOB"). These seeds are tested and proven to be able to provide high FFB yield, high oil-to-bunch ratio and low height increment.

Currently, these seeds are mainly for internal use with some sold to third parties. During the year, around 92,000 seeds were sold to third parties.

Cattle Integration

As part of integrated weed management, the Group initiated its cattle integration programme in year 2000 involving the rearing of cattle in oil palm plantations under the "Pawah" scheme through the Department of Agriculture of Sarawak. The rationale for the project is to promote full utilization of mature oil palm areas by letting cattle graze on vegetation that is otherwise considered weeds.

Cattle integration benefits the participating estates as part of their integrated weed management programme. It's environmentally friendly and contributes towards achieving good agricultural practices and standards.

As at 31 December 2017, the Group has a total of around 1,000 heads of cattle.

MANAGEMENT DISCUSSION AND ANALYSIS

(b) Other Activities (continued)

Laboratory Services

The Group, through its subsidiary, Sarawak Plantation Services Sdn Bhd (“SPSSB”), owns a chemical laboratory, accredited by Skim Akreditasi Makmal Malaysia, which offers various laboratory analysis services to the Group and to external customers.

Training Centre

The Group operates a training centre named Sarawak Plantation Training Centre (“SPTC”). SPTC was set up in 2013 to provide subsidised plantation trainings to young people. The training centre is accredited under a National Dual Training System and represents

a major Corporate Social Responsibilities (“CSR”) initiative of the Group. There was no new intake in 2017.

Strategic Innovation/Productivity Centre

In 2014, the Group established a Research and Development unit named Strategic Innovation/Productivity Centre. The centre’s main objective is to provide a platform for productivity improvements through creativity and innovation. The main focus is estate mechanisation to reduce labour dependency and to increase productivity. Hence the centre continuously conducts trials to discover mechanisation methods best suited to increase productivity bearing in mind the physical conditions of the Group’s estates.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OBJECTIVES AND STRATEGIES

The immediate strategic objective is to increase the human resource productivity through structural and organisational transformation in order to improve plantation management and ultimately increase yield per hectare. The primary focus is to upgrade estates' infrastructure to improve accessibility and harvesting processes. Similarly, mill infrastructure and processes will be enhanced to increase oil extraction rate.

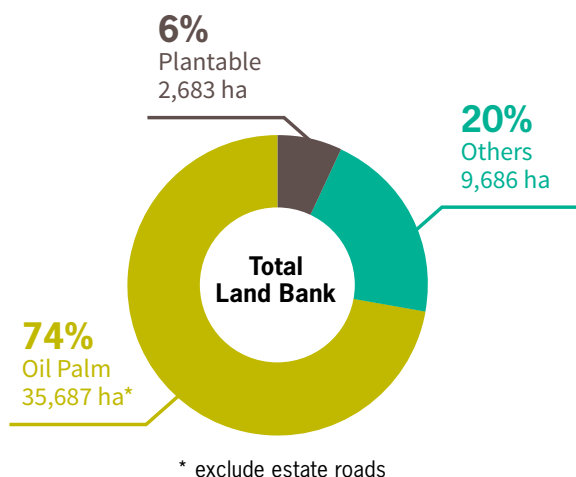
REVIEW OF OPERATING ACTIVITIES

(a) Oil Palm Plantation

Area Statement

Total land bank of the Group marginally reduced from 48,086 ha in 2016 to 48,056 ha in 2017, because some areas in the Northern and Central Regions were acquired by the State Government for the Pan Borneo Project.

As at 31 December 2017, 35,687 ha are planted with oil palms (exclude estate roads) of which 1,744 ha (exclude estate roads) are under the NCR joint venture.



Growth in planted and matured areas

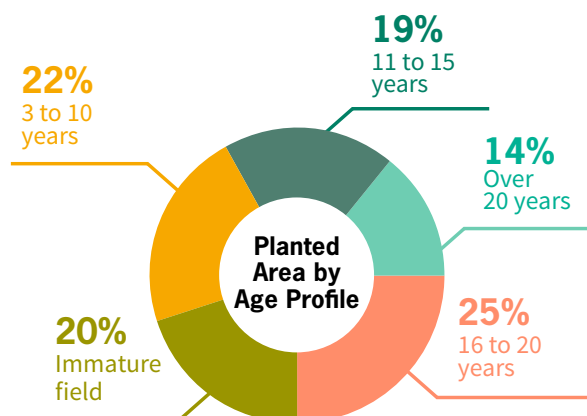
The planted areas grew by 3% mainly contributed by additional replanting areas in Northern Region.

This growth will enable the Group to achieve higher production when the palms reach maturity in the years to come.

Similarly, matured areas grew by 7%, principally due to newly matured areas at Sawai, Melugu, Tulai, Bakau and Bukut Estates, partially offset by replanting in Sungai Tangit Estate.

Age profile

As at 31 December 2017, the age profile of the Group's planted hectareage is as below:

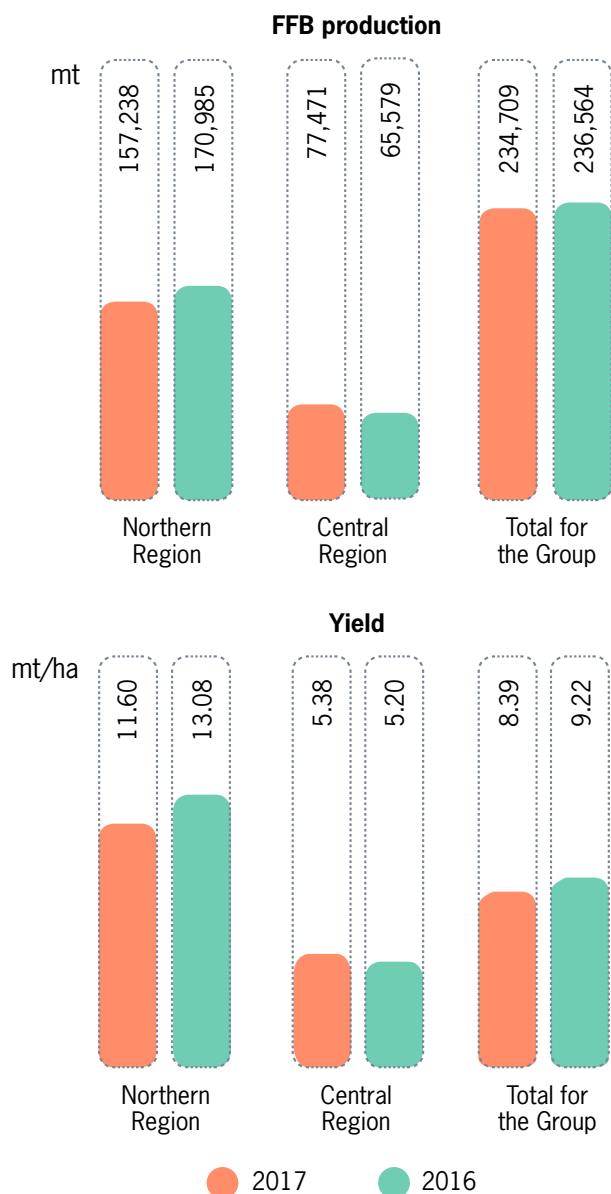


The immature and young mature fields represent 42% of the total planted areas and when these palms attain prime maturity, the production yield is expected to improve.

MANAGEMENT DISCUSSION AND ANALYSIS

(a) Oil Palm Plantation (continued)

FFB production and yield



For the year 2017, the Group produced a total of 234,709 metric tonne (mt) of FFB. This represents a decrease of 1% or 1,855 mt compared to year 2016.

Lower production in 2017 was mainly attributed by lower production recorded for Northern Region estates. Northern Region estates recorded a total production of 157,238 mt and yield of 11.60 mt/ha in 2017 compared against production of 170,985 mt and yield of 13.08 mt/ha in 2016.

This lower production was mainly due to:

- Ganoderma infestation at Northern Region affecting approximately 2,200 ha, or 21% from total hectareage of affected estates in Northern Region; and
- Acute shortage of harvesters.

The Group has taken various steps to mitigate the effect arising from Ganoderma infestation and shortage of harvesters.

However, on a positive note, the production for Central Region grew by 18% from 65,579 mt in 2016 to 77,471 mt in 2017. Similarly, the yield improved from 5.20 mt/ha in 2016 to 5.38 mt/ha in 2017. The production growth in Central Region was principally due to the newly matured fields in Bakau, Bukut, Tulai and Melugu Estates.

The yield of the Group for year 2017 was 8.39 mt/ha, which was generally lower compared to industry standards. This was principally attributed to by:

- The inability to harvest from 1,855 ha at SP Suai due to a dispute with participants;
- Local encumbrances in matured areas of certain estates in the Central Region namely part of Mukah 1 and Mukah 3 Estates and Sri Duan Estate affecting approximately 6,000 ha and 30 ha in the Northern Region;
- Ganoderma infestation as explained above.

The Group's 2017 yield was 12.07 mt/ha against 2016 of 13.58 mt/ha (excluding the matured hectareage which was encumbered).

Around 260 ha were recovered during the year. Proactive steps continue to be taken with the ultimate objective of fully resolving the disputes.



Ladang 3 Estate

MANAGEMENT DISCUSSION AND ANALYSIS

(a) Oil Palm Plantation (continued)

Estate mechanisation

Labour shortage is a perennial issue for the industry. In order to mitigate labour shortage, the Group placed emphasis to upgrade the estate infrastructure to cater for mechanisation. Terrace widening at mature areas was the measure implemented to cater for mechanisation thus reducing labour requirements and improving field accessibility. As of 2017, about 25% of the total planted areas have been mechanised.

The current replanting and new planting areas are also structured to gear towards mechanisation with wider terrace construction and adequate compaction in peat estates.

New planting activities

New planting activities of around 80 ha during the year were mainly carried out in Bakau Estate.

Replanting activities

Replanting activities are mainly carried out in Northern Region estates, namely Subis 2, Subis 3 and Kosa Estates over the past 3 years.

Around 780 ha were planted during the year. This included areas cleared in the past year. As at 31 December 2017, total areas under replanting were around 4,400 ha of which around 4,200 ha have



Niah Palm Oil Mill

been planted. Most of these planted areas will start yielding in 2018 and 2019 and the remaining areas will mature in subsequent years.

(b) Milling Operation

The Group's Niah Palm Oil Mill and Mukah Palm Oil Mill processed a total of 585,028 mt of FFB in 2017 as compared to 581,850 mt in 2016. This also represented 65% utilisation of the combined milling capacity.

Around 64% of the total FFB processed during the year was from purchase of crops from third parties.

Average oil and kernel extraction rates for both mills achieved for the year were 20.08% and 4.37% compared against 2016 of 20.16% and 4.50% respectively.



Mechanisation

MANAGEMENT DISCUSSION AND ANALYSIS

(c) Health, Safety and Environment (HSE)

The Group continued to emphasise on HSE as its key priority in all of its business operations. HSE briefings, trainings and continuous inspections were carried out to ensure sound HSE practices were implemented and legal requirements were adhered to in the workplace as well as in the work practices.

The following programmes were performed:

- HSE monitoring and inspections were continually carried out throughout the year to ensure sound HSE practices were implemented at the work place. Unsafe acts and conditions were immediately intervened and improved accordingly.
- Revision of HSE risk assessment (HIRARC) was conducted for the estates and mills. Apart from MSPO requirements, it is also to make sure the workplace as well as the work practices are safe and healthy for the workers.
- Environmental Management Plan (EMP) were conducted for replanting areas.



FINANCIAL RESULTS AND FINANCIAL CONDITION

(a) Revenue

95% of the Group's total revenue was mainly derived from the sale of crude palm oil ("CPO") and palm kernel ("PK").

The increase in revenue from RM384.0 million in 2016 to RM399.2 million in 2017 was mainly attributable to the higher realised selling price and sale volume of CPO, partially offset by lower realised selling price and sale volume of PK.

Sale volume

	2017 mt	2016 mt	Change (%)
CPO	117,408	116,912	0.4
PK	25,474	25,961	(1.9)

Realised selling price

	2017 RM/mt	2016 RM/mt	Change (%)
CPO	2,761	2,601	6.2
PK	2,371	2,406	(1.5)

MANAGEMENT DISCUSSION AND ANALYSIS



Bukut Estate

(b) Net Profit

The Group recorded a net loss attributable to Owners of the Company of RM10.3 million for the year, compared against the net profit of RM22.2 million for the preceding year.

This net loss position was principally attributed to impairment losses of RM43.0 million most of which related to encumbered matured estates in Central Region. The impairment losses were made following continuing inability to harvest FFB from these areas.

(c) Total Assets

Total assets reduced from RM902.3 million in 2016 to RM865.4 million in 2017 principally due to impairment losses as mentioned above.

Cash and cash equivalents were RM104.4 million compared against 2016 of RM100.4 million, an increase of 4%.

(d) Total Liabilities

Total liabilities decreased from RM273.3 million in 2016 to RM246.9 million in 2017 principally due to lower payables and repayment of revolving credits during the year.

(e) Capital Expenditure

The Group's capital expenditure are funded by bank borrowings and/or internally generated funds.

The Group has available term loan facility of RM40.1 million as at 31 December 2017 to partially fund the future capital expenditure.

(f) Dividends

No dividends were declared for the financial year ended 31 December 2017.

Anticipated and Known Risks

As a plantation company, the Group faces inherent risks pertaining to the oil palm industry. Such risks include but are not limited to inclement weather, pest and disease, volatility of commodity prices and manpower constraint.

Risk Management practices are embedded in the daily operations. Further details are contained in the Statement of Risk Management and Internal Control of this Annual Report.

Prospects and Outlook

The way forward, prospects and outlook are contained in Message To Our Shareholders section of this Annual Report.

In addition, barring any unforeseen circumstances, new development and replanting activities that were carried out over the past years are expected to contribute to the Group's FFB production in future.

SUSTAINABILITY STATEMENT

The Company is committed to adopt sustainable agricultural and business practices in line with the Malaysian Sustainable Palm Oil (“MSPO”) to enable a sustainable operation and business in order to achieve the Vision and Mission of the Company. The importance of sustainability is reflected in the Mission of the Company: Maximise Stakeholders’ Values Through Sustainable Development.

The Company aims to balance profitability with the protection of environment and the stakeholders by creating positive impact and mitigating negative impact arising from its activities from the economic, environment and social aspects.

In SPB, the Board recognizes its ultimate accountability for the integration of sustainability into the Group’s business, culture and operation. In this regards, a governance structure from the top is important to oversee the management of sustainability matters and thus, reduce exposure to sustainability-related risks.

In August 2017, the Board set up a Board Sustainability Committee to oversee the sustainability strategies and performance and other sustainability related matters. A Sustainability Policy has also been established, covering various key areas such as sustainable plantation development, good agronomic practices, good manufacturing practices, compliance with applicable laws and regulations, respect employees and communities.

During the financial year under review, a key agenda of the Group’s Sustainability focus is to steer

ourselves towards achieving MSPO certification for all its estates and mills. Three pilot sites namely Kosa Estate, Ladang 3 Estate and Niah Palm Oil Mill underwent audits and certification is expected to be obtained within the first half of 2018. Meanwhile, gap analysis for all the other estates and Mukah Palm Oil Mill is in progress. The process of getting certified under MSPO further enhances the Group’s ability to minimize environmental and social impact of the Group’s plantation activities and to foster relationship with the nearby communities. This will also increase stakeholders’ confidence and also ensure compliance to relevant laws and regulations.

More sustainability related activities are contained in the Corporate Social Responsibility section found on pages 41 to 42 of this Annual Report.

The Company will report its sustainability matters in accordance with the requirements as set out in Practice Note 9 of the Listing Requirements in its Annual Report for the financial year ending 31 December 2018.



MSPO Project - Pilot Site at Ladang Kosa Estate

AUDIT COMMITTEE'S REPORT

The Board of Sarawak Plantation Berhad is pleased to present the Audit Committee's ("the Committee") Report for the financial year ended 31 December 2017.

1. MEMBERS AND MEETINGS

The Committee Members during the financial year are as follows:-

No.	Name	Status of Directorship	Independent	Appointment/Resignation
1	Umang Nangku Jabu	Chairman-Independent Non Executive Director	Yes	Appointed on 16 June 2010
2	Datu Haji Chaiti bin Haji Bolhassan	Independent Non Executive Director	Yes	Appointed on 20 December 2012
3	Azizi bin Morni	Independent Non Executive Director	Yes	Appointed on 1 May 2007
4	Ali bin Adai	Independent Non Executive Director	Yes	Appointed on 24 April 2013

During the financial year, the Committee conducted 11 meetings. The details are as follow:-

No.	Name	No. of Meetings Attended	Attendance (%)
1	Umang Nangku Jabu	10/11	91
2	Datu Haji Chaiti bin Haji Bolhassan	10/11	91
3	Azizi bin Morni	11/11	100
4	Ali bin Adai	9/11	82

The Group's internal and external auditors and certain members of the Key Management Personnel attended the meetings by invitation during the financial year.

Details of the Committee Members' profiles are contained in the Board of Directors section found on pages 11 to 14 of this Annual Report.

2. SUMMARY OF WORK

The primary purpose of the audit committee is to provide oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations.

In addition, the Committee is authorized to carry out duties as mentioned below and has unrestricted access to all of the Group's records, properties and personnel to enable it to discharge its duties.

The summary of work carried out by the Committee included the following:

AUDIT COMMITTEE'S REPORT

2. SUMMARY OF WORK (continued)

i. Financial Reporting and Compliance Statements

- Reviewed the quarterly results and annual financial statements of the Group and recommended the same to the Board for approval;

ii. Internal Control and Statutory Compliance

- Evaluated existing policies, established audit quality and ensured compliance with the Group's policies;
- Provided assurance that the Group's goal and objectives were achieved and assets were safeguarded;
- Ensured that proper processes and procedures were in place to comply with all laws, regulations and rules established by relevant regulatory bodies;
- Reviewed related party transactions and conflict of interest situations that could have arisen within the Group including any transactions, procedures or course of conduct that raises questions of management integrity.

iii. Internal Audit

- Ensured internal audit has unrestricted scope, the necessary resources and access to information to enable it to fulfil its mandate;
- Ensured there is open communication between different function as part of its internal audit plan;
- Ensured that the internal audit function is equipped to perform in accordance with appropriate professional standards for internal auditors;
- Approved the internal audit charter;
- Approved the risk-based internal audit plan;
- Approved the internal audit budget and resource plan;
- Received communications from the Internal Audit Manager on the internal audit activity's performance relative its plan and other matters;
- Approved decisions regarding the appointment and removal of the Internal Audit Manager;
- Approved the remuneration of the Internal Audit Manager.
- Made appropriate inquiries of management and the Internal Audit Manager to determine whether there are inappropriate scope or resource limitations;
- The internal audit activity was be free from interference in determining the scope of internal auditing, performing work, and communicating results. The Internal Audit Manager disclosed such interference to the board and discussed the implications.

iv. External Audit

- Reviewed the findings of the external auditors in relation to audit and accounting issues which arose from the audit and updates of new developments on accounting standards issued by the Malaysian Accounting Standard Board (MASB).

vii. Other Responsibilities

- Evaluated consultants and recommended their appointment to assess areas where special technical expertise is required as directed by the Board.

AUDIT COMMITTEE'S REPORT

3. INTERNAL AUDIT FUNCTION

The Group has an internal audit function whose primary responsibility is to undertake regular and systematic reviews of the system of internal control so as to provide reasonable assurance that this system continues to operate satisfactorily and effectively within the Group. The internal audit function adopts a risk-based audit methodology which is aligned with the risks of the Group to ensure that relevant controls addressing those risks are reviewed on a rotational basis.

The activities carried out by the internal audit include, amongst others:

- the review of the adequacy of risk management, system of internal control for effectiveness and efficiency,
- assessment of compliance with established rules, guidelines, law and regulations,
- the review of reliability and integrity of information and means of safeguarding assets.

The Internal Audit Manager is responsible for enhancing the quality assurance and improvement programme of the internal audit function. In order to achieve this, the monitoring of its effectiveness is done through internal self-assessment tools and independent external assessment. The result will then be communicated to the Committee. The Internal Audit Manager reports directly to the Board Audit Committee.

The total costs incurred for the Group's internal audit function in respect of the financial year ended 31 December 2017 amounted to RM998,686.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors continues to remain focused on maintaining good corporate governance practices in the discharge of its duties and responsibilities towards the Company and its shareholders. The Board seeks to provide intellectual honesty and effective leadership to steer the Company to greater ethical and sustainable business performance.

In this overview statement, the Board conveys its assurance that it is mindful of the intended outcomes, principles and practices issued under the Malaysian Code of Corporate Governance (the Code). The Board will constantly review its conduct, processes and procedures in order to adhere to the Code.

The details on how the Code was applied during the financial year under review are set out in the Corporate Governance Report 2017 and is published on the Company's website at www.spbgroup.com.my.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

1. Board and Responsibilities

The Board sets the vision and the strategies of the Company, placing great emphasis on enhancing shareholders' value and investors' confidence whilst maintaining a high standard of integrity. The Board also sets the framework for which the Company shall operate, in particular, the areas of corporate governance, internal controls, risk management, succession planning, business and investment strategies. The Board puts together its diverse expertise and experience to render advice and coaching to the Company. Its diverse expertise and experience also help to effectively monitor implementation of the visions and strategies which have been set.

Key areas reserved for the Board's approval include the annual budget, dividend declaration, expenditure beyond a certain limit, acquisitions/disposals of properties/materials of substantial value, appointment of consultants for specific assignments and changes to the Management and control structure within the Company. The full details of the roles and responsibilities of the Board are captured in the Board Charter. It is available on the Company's website at www.spbgroup.com.my. The Board Charter is reviewed periodically and as and when necessary so that it remains relevant to the expectations of the investing public and the shareholders of the Company.

In year 2017, the Board conducted quarterly reviews of its budget by comparing against the actual performance. The Board actively engages with the Management to discuss strategic initiatives to achieve key targets set out in 2017 and the future years. Where necessary, alternative steps were taken to ensure achievement of targets.

As part of the governance structure of the Company, the following Board Committees are in place:

- a. Board Audit Committee;
- b. Remuneration and Nomination Committee;
- c. Risk Management Committee; and
- d. Sustainability Committee.

While the Board sets the policies and strategies, the implementation and the day to day administration rests with the Management. Authority is delegated by the Board to the Management through the Executive Director who directly oversees the day to day running of the operation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board and Responsibilities (continued)

In the year under review, the Board met with all the managers of the Company to remind them of the importance of having an ethical work culture and to embrace it as part of the lifestyle of the Company. Just as the Board sets the tone from the top by displaying a high standard of integrity in their management of the Company, the same standard is expected in all the managers. To achieve that end, all the managers have signed a pledge indicating their promise to do the same when carrying out their respective work.

The Company has in place a Code of Ethics which sets the standard of acceptable behavior in the Company. The Company also has in place a Corporate Disclosure Policy which governs dissemination of confidential information and how confidentiality of such information is to be maintained and safeguarded. The Whistle Blowing Policy, Safety and Health Policy, Environmental and Biodiversity Policy and Social Policy have also been established in 2017.

Sustainable practices are inherent in the business operations of the Group, particularly at the estates and the mills. Please refer to the Management Discussion and Analysis section found on pages 22 to 28 and the Sustainability Statement found on page 29 for further details of the Group's sustainability practices.

The Board is supported by a suitably qualified and competent Company Secretary who is also legally qualified. Apart from the administrative job scope of a Company Secretary, she also provides the Board with guidance on matters relating to good corporate governance practices, eg. disclosures, accountability and transparency.

The Directors have attended the following trainings in order to better equip themselves to execute their duties and responsibilities:

Name of Committee Member	Brief Description of Training
Datuk Amar Abdul Hamed bin Sepawi	- None attended due to exigencies of work
Polit bin Hamzah	- Not applicable - Resigned on 28 February 2018
Dato Wong Kuo Hea	- Companies Act 2016 - Highlight on Key Changes - Transitioning the Constitution and Practical Issues under the Companies Act 2016
Hasmawati binti Sapawi	- Advocacy Session on Corporate Disclosure for Directors and Principal Officers of Listed Issuers
Umang Nangku Jabu	- Governance Culture - What's Possible - Advocacy Session on Corporate Disclosure for Directors and Principal Officers of Listed Issuers
Datu Chaiti bin Haji Bolhassan	- Advocacy Session on Corporate Disclosure for Directors and Principal Officers of Listed Issuers - Tax Seminar 2018 Budget Proposals - Recent Amendments to the Listing Requirements Arising from Companies Act 2016 & Dealings in Listed Securities, Closed Period and Insider Trading
Azizi bin Morni	- Advocacy Session on Corporate Disclosure for Directors and Principal Officers of Listed Issuers
Ali bin Adai	- Advocacy Session on Corporate Disclosure for Directors and Principal Officers of Listed Issuers - Recent Amendments to the Listing Requirements Arising from Companies Act 2016 & Dealings in Listed Securities, Closed Period and Insider Trading - Corporate Governance Guide 3rd Edition: "Moving from Aspiration to Actualisation"

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition

The Board is comfortable with its size and level of effectiveness. The diverse background of the 7 members on Board gives it a right mix of skills, knowledge, experience and independence to maintain the Company on a competitive edge.

The different background of the directors will enable various perspectives to be considered whenever a proposal is put before the Board for decision. Even where the discussions are on review of financial and operational information or progress reports, the diversity of expertise will make decisions better thought through.

As the Chairman of the Company is Executive, the majority of the Board comprises independent directors.

The Directors have also shown their commitment to carry out their fiduciary duties and their duty to use reasonable care, skill and diligence towards the Company in their attendance and active participations at Board Meetings throughout the year in review.

Below are details showing the attendance of all the directors at Board Meetings held on 2017:

Name of Director	Designation	Meetings Attended	
		Number	(%)
Datuk Amar Abdul Hamed bin Sepawi	Executive Chairman	7/10	70
Polit bin Hamzah	Group Managing Director Resigned on 28 February 2018	N/A	N/A
Dato Wong Kuo Hea	Executive Director Appointed on 28 March 2018	N/A	N/A
Hasmawati binti Sapawi	Non Independent Non Executive Director	10/10	100
Umang Nangku Jabu	Independent Non Executive Director	10/10	100
Datu Haji Chaiti bin Haji Bolhassan	Independent Non Executive Director	7/10	70
Azizi bin Morni	Independent Non Executive Director	9/10	90
Ali bin Adai	Independent Non Executive Director	10/10	100

III. Remuneration

The Remuneration and Nomination Committee was established on 1 May 2007. It is charged with looking into remuneration policies which attracts, maintains and retains a set of Directors and Key Management Personnel of requisite caliber to propel the Company towards greater prospects and growth.

The Remuneration and Nomination Committee comprises exclusively of independent directors, namely:

- Datu Haji Chaiti bin Haji Bolhassan (Chairman);
- Azizi bin Morni (Member); and
- Ali bin Adai (Member).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (continued)

III. Remuneration (continued)

The Terms of Reference of the Remuneration and Nomination Committee are found on the Company's Website.

In the year under review, the activities of the Remuneration and Nomination Committee included the following:

- Carried out a formal assessment of the Board's effectiveness as a whole, including that of the Chairman, the contribution of each Director and the various Board Committees;
- Reviewed the remuneration of the Directors;
- Reviewed the adequacy of the skills of the Directors such that the Board can carry out its duties effectively;
- Reviewed the appointment of a key management personnel.

The details of the Company's directors' remuneration during the year are as follows:

	Directors' fees		Meeting allowance		Salaries	Other benefits	Total RM
	Company RM	Subsidiaries RM	Company RM	Subsidiaries RM	Subsidiaries RM	Subsidiaries RM	
Datuk Amar Abdul Hamed Bin Sepawi (Executive Chairman)	642,750	30,000	6,000	2,500	-	-	681,250
En Polit Bin Hamzah (Group Managing Director, resigned on 28 February 2018)	81,750	66,000	2,500	7,000	639,600	392,191	1,189,041
Dato Wong Kuo Hea (Executive Director, appointed on 28 March 2018)	-	-	-	-	-	-	-
Hasmawati Binti Sapawi (Non Independent Non - Executive Director)	81,750	-	5,000	-	-	-	86,750
Umang Nangku Jabu (Independent Non - Executive Director)	81,750	18,000	10,500	2,000	-	-	112,250
Datu Haji Chaiti Bin Haji Bolhassan (Independent Non - Executive Director)	81,750	30,000	12,000	2,500	-	-	126,250
Azizi Morni (Independent Non - Executive Director)	81,750	36,000	14,000	4,500	-	995	137,245
Ali Adai (Independent Non - Executive Director)	81,750	3,000	11,000	500	-	922	97,172
Total	1,133,250	183,000	61,000	19,000	639,600	394,108	2,429,958

The Company's directors' remuneration is subject to the shareholders' approval at the Annual General Meeting. (Refer Ordinary Resolutions 1 and 2 of the Notice of Annual General Meeting on page 139).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee was established on 11 November 2000. It is chaired by an Independent Director, Puan Umang Nangku Jabu.

The Audit Committee comprises exclusively of independent directors, namely:

- a. Umang Nangku Jabu (Chairman);
- b. Datu Haji Chaiti bin Haji Bolhassan (Member);
- c. Azizi bin Morni (Member); and
- d. Ali bin Adai (Member).

It is an established practice of the Audit Committee not to appoint a former audit partner or any former consultants, for that matter, who have been auditing the Company's financial statements or advising the Company as a member of the Audit Committee or on boarded as an independent director unless a 2 years' cooling off period has been observed.

More details on the activities of the Audit Committee can be found in the Audit Committee's Report on pages 30 to 32 of this Annual Report. The Terms of Reference of the Audit Committee is found on the Company's Website.

II. Risk Management and Internal Control Framework

The Risk Management Committee was established on 1 May 2007. It forms an integral part of the effective management of the Company and it seeks to identify and address principal risk areas which include business, environment, human capital, safety, security, operation and sustainability of the Company with the aim of preventing, where possible, and mitigating these risks.

The Risk Management Committee comprises exclusively of independent directors, namely:

- a. Ali bin Adai (Chairman); and
- b. Azizi bin Morni (Member)

The Board confirms that its risk management and internal control system are operationally adequate and effective throughout the year under review and up to the date of this Annual Report.

The Terms of Reference of the Risk Management Committee are found on the Company's website. Features of the Company's risk management and internal control framework and the adequacy and effectiveness of this framework are described in the Statement on Risk Management and Internal Control found on pages 39 to 40 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

Recognizing the importance of keeping the investing community up to speed with the developments in the Company through effective communication, the Company chooses various forums to engage with its stakeholders. These include face to face discussions, estate and mill visits, announcements through Bursa Link and disclosures on the Company's website.

Further the investing community, comprising individuals, analysts, fund managers and other stakeholders also engage in dialogues with the Company's representatives on a regular basis. This enables the investors to get a balanced understanding of the main issues and concerns affecting the Company. Discussions at such meetings and dialogues are restricted to matters that are in the public domain.

Whilst the Company endeavours to provide as much information as possible to its stakeholders, it is also conscious of the legal and regulatory framework governing the release of material and price sensitive information within which it must abide.

II. Conduct of General Meetings

The Annual General Meeting is one of the various channels used by the Board to disseminate information on major corporate developments and events and also a platform for open and candid discussions with the shareholders.

Ample opportunities are given to shareholders including proxies to address their queries and concern to the Chairman, any Directors and also the Key Management Personnel.

It has been the practice of the Company to give more than 21 days' notice to its shareholders before its Annual General Meeting is held. With effect from this Annual General Meeting, at least 28 days of notice will be given.

The Company's Annual General Meetings have also always been held at easily accessible venues for the convenience of the shareholders.

The Corporate Governance Overview Statement was approved by the Board of Directors on 27 March 2018.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This Statement is made pursuant to the Listing Requirements of Bursa Malaysia and is guided by the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITIES

The Board acknowledges its responsibility towards the Group to maintain a sound system of risk management and internal control to safeguard shareholders' investment and the Group's assets. The Board is responsible for reviewing the adequacy and effectiveness of risk management and the system of internal control. A sound risk management and internal control system includes the establishment of an appropriate control environment and framework, encompassing financial, operational and compliance controls and management of risks throughout its operations.

Due to limitations inherent in any risk management and internal control system, the Group's system is designed to manage and mitigate risks that may impede the Group's achievements of its objectives rather than eliminate these risks. Accordingly, the system of risk management and internal control can only provide reasonable but not absolute assurance against any material misstatement or loss arising from the possibility of poor judgment in decision making, management overriding controls, loss and the occurrence of unforeseeable circumstances. The concept of reasonable assurance also recognizes that the cost of control procedures should not exceed the expected benefits.

The Group has in place, an ongoing process for identifying, evaluating and managing the significant risks faced by the Group in its achievement of objectives and strategies.

RISK MANAGEMENT

The Board regards risk management as an integral part of effective management of the business and operation of the Group which can directly affect its ability to implement its strategies and achieve its objectives.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee, comprising representatives from the Board, assists the Board in strengthening and monitoring the risk management practices of the Group.

RISK MANAGEMENT POLICY & RISK PROFILE

The Group established its Risk Management Policy and Risk Profile in 2008. The Group's approved Risk Management Policy outlines the policies and procedures for implementing, reviewing, evaluating and monitoring the principal risks of the Group.

The approved Risk Profile, consists of identified principal risks, strategies, controls and management actions in addressing such risks, which include examining the business operational risks in critical areas, potential impacts and identifying measures and time frame to mitigate those risks.

The Management periodically reviews the measures taken to manage those identified risks. The results of and the recommendations arising from the review are tabled to the Risk Management Committee before the Risk Profile is updated. The updated Risk Profile is deliberated by the Risk Management Committee and thereafter presented to the Board.

INTERNAL CONTROLS

The Group's internal control system encompasses the following:-

- **Authority and Responsibilities**

There is a defined organization structure with clearly established responsibilities and delegation of authority for the Management and Board Committees.

- **Policies and Procedures**

There are Standard Operating Policies and Procedures setting out the operating controls pertaining to plantation, mill operation, process and engineering, health and safety, finance, human resource, marketing, information technology, tendering and internal audit. These are reviewed and updated to reflect changes in the business environment and legal requirements.

- **Planning, Monitoring and Reporting**

Annual detailed budgeting is carried out whereby operating units prepare their budgets and business plans for consolidation and review by the Management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROLS (continued)

• **Planning, Monitoring and Reporting** (continued)

Financial and operational performance reports are prepared for review by the Board on a quarterly basis. Any significant deviation from the budget and parameters set by the Board would be investigated, explained and presented to the Board.

Management meetings are held to review the Group's operations. This review includes analyzing the performance of the Group and addressing the key operational issues faced thereby.

Internal and external audits are conducted once a year on our SP Lab, in accordance with predetermined schedules and procedures, to verify that its operations comply with the requirements of the management system and MS ISO/IEC: 17025:2005 standard. The internal audits are conducted by certified auditors appointed by the Group whereas the external audits are conducted by Department of Standards Malaysia.

INTERNAL AUDIT AND BOARD AUDIT COMMITTEE

The Internal Audit Department reports directly to the Board Audit Committee on a quarterly basis, the results of works carried out in accordance with its Audit Plan as approved by the Board Audit Committee. The internal audit function performs periodic reviews on critical business processes to identify any significant risks, assess the effectiveness and adequacy of the system of internal control and where necessary, recommends areas for improvements.

The Board Audit Committee receives reports from both internal and external auditors. The Audit Committee regularly reviews the reports and holds discussion with the Management on the actions taken on identified internal control issues. Deliberations and recommendations by the Board Audit Committee are presented to the Board at the latter's scheduled meetings.

CONCLUSION

The Board confirms that its risk management and internal control system are operationally adequate and effective throughout the year under review and up to the date of approval of the Annual Report.

In addition, the Board remains committed towards operating an effective risk management framework and a sound system of internal control and recognizes that these must continuously evolve to support

the type of business and size of operations of the Group. As such, the Board, in striving for continuous improvement will put in place proper action plans, when necessary, to further enhance the Group's system of risk management and internal control.

The Group's system of risk management and internal control applies to the Company and its subsidiaries only and does not cover its associated company.

The Board has received assurance from the Group Managing Director and the Chief Financial Officer that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk framework adopted by the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Recommended Practice Guide ("RPG") 5 (Revised), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2017 and reported to the Board that nothing has come to their attention that caused them to believe that the statement to be included in the annual report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers or

(b) is factually inaccurate.

RPG 5 (Revised) does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

This statement is made in accordance with the resolution of the Board of Directors dated 27 March 2018.

CORPORATE SOCIAL RESPONSIBILITY

Sarawak Plantation Berhad (SPB) aims to strike a balance between good economic performance and its responsibility as a corporate citizen committed to a sustainable approach in doing business that benefits its stakeholders, customers, employees and the community in general.

ENVIRONMENT

Preservation and protection of the natural environment are given similar emphasis and priority as its main business activities of the Group. In preserving the natural environment, the following measures were implemented at all units and project sites:

- a) zero burning policy;
- (b) riparian zones are established along all main streams and waterways;
- (c) cover crops are planted in the fields to minimise the risk of soil erosion and at the same time improve soil nutrient contents;
- (d) domestic and construction wastes are properly managed and disposed and scheduled wastes are discarded by authorised collection agents;
- (e) application of biological controls are implemented at the estates, and integrated into their pests and diseases control management;



Cover Crop



Shred Nature (Zero Burning)

- (f) apart from half-yearly isokinetic testing, continuous emission monitoring systems (CEMS) linked to Department of Environment (DOE) monitoring centre are installed at both mills for monitoring particulate emission from boiler chimneys;
- (g) palm oil mill effluent is treated to the quality set by the authority before being discharged into the watercourse;
- (h) empty bunches produced by the mill are incinerated, used as mulch for soil preservation in the fields and transformed into natural compost; and

Apart from the above, environmental impact assessments were carried out for new land development and replanting areas.

CORPORATE SOCIAL RESPONSIBILITY

HEALTH AND SAFETY

Occupational health and safety are essential in carrying out the operations of the Group. Health and wellness programmes continue to be the primary focus of the Group.

Please refer to the HSE Section on page 27 of this Annual Report for further details.



Waste Inspection and Briefing

WORKPLACE

The Group strives to provide every employee with a safe, comfortable and conducive working and living (if relevant) areas.

They are provided with ample modern amenities at the Group's estates and mills. They enjoy well-maintained infrastructure and facilities such as roads, schools, clinics, transportation, playgrounds, sports facilities, community halls, places of worship and telecommunication facilities.

Recreational activities are organised for the employees during the year. Events such as the Labour Day Celebrations, "Majlis Berbuka Puasa" and the "Majlis Korban" were organised at estate and mill levels where the employees and workers mingled with each other in the spirit of camaraderie.



Recreational Activity

COMMUNITY LEARNING CENTRE

The Group continues to support local communities through monetary donations, donations of equipment and materials and through outreach activities.

During the year, the Group's CSR emphasized on contributions to scientific and educational fields relating to oil palm industries.

The Group's key corporate social responsibilities (CSR) for the year includes contribution and donations for activities and functions organised by schools and other organisations. In addition, the Community Learning Centre (CLC) in Ladang 3, for the children of the Indonesian workers was officially established and in operation since 2016.



Community Learning Centre

DIARY OF CORPORATE EVENTS



10 January 2017

SPB 2017 New Year Message



18 May 2017

SPB's 20th Annual General Meeting



20 May 2017

SP Lab 5 S Activity - Bowling Tournament



14 July 2017

Majlis Ramah Tamah Aidilfitri Northern Region



21 July 2017

Majlis Ramah Tamah Aidilfitri Central Region



26 July 2017

Dialogue with Chairman - Estate Mechanisation



15 September 2017

Majlis Korban



2 December 2017

Meeting with Chairman