

SARAWAK OIL PALMS BERHAD

SUMMARY OF KEY MATTERS DISCUSSED AT THE FORTY-NINTH ANNUAL GENERAL MEETING (“49TH AGM” OR “AGM”) OF SARAWAK OIL PALMS BERHAD (“SOPB” OR “THE COMPANY”) HELD AT CONFERENCE ROOM OF IMPERIAL HOTEL, JALAN POS, 98000 MIRI, SARAWAK, ON 20 JUNE 2017 AT 10:00A.M.

All resolutions tabled at 49th AGM were passed by shareholders as follows:

Resolution 1	Adoption of Accounts and Reports of Directors and Auditors
Resolution 2	Declaration of Final Dividend
Resolution 3	Approval of Directors’ fees
Resolution 4	Re-election of Tan Sri Datuk Ling Chiong Ho
Resolution 5	Re-election of Ling Lu Kuang
Resolution 6	Re-election of Hasbi Bin Suhaili
Resolution 7	Re-election of Chua Chen San
Resolution 8	Appointment of Auditors
Resolution 9	Continuation of terms in office of Dr. Lai Yew Hock, Dominic as Independent Non-Executive Director
Resolution 10	Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of a revenue of Trading Nature

Pursuant to Paragraph 8.29A of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, all resolutions were voted by poll.

All Board Members were present at the 49th AGM.

1.0 Opening Address by Chairman

The Chairman then informed the requisite quorum was present upon the confirmation by the Company Secretary and the meeting was then called to order.

The Chairman informed the members/proxies present that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of the AGM would be conducted on a poll. He added that the Company had appointed Symphony Share Registrar Sdn. Bhd. to conduct the polling process and Malaysian Issuing House Sdn. Bhd. as Scrutineers to verify and validate the poll results. The Chairman also informed that the polling process for voting on the resolutions would be conducted upon the completion of deliberation of all items to be transacted at the AGM.

The Notice of the AGM convening the meeting incorporating the detailed text of each of the resolutions was with the permission of the meeting, taken as read.

2.0 Matters raised by the Minority Shareholder Watchdog Group (“MSWG”)

MSWG through their letter dated 13 June 2017 raised several questions, which were replied by the Company via a letter dated 19 June 2017 and share with the members during the Company during the AGM. Among the issues highlighted were the following:

Financial/Strategic

1. Plantation statistics on page 5 of the Annual Report showed the planted area had increased from 63,517 hectares to 87,744 hectares and the Reserves, Unplanted, Buildings sites, etc had increased from 9,136 hectares to 32,553 hectares for FY2016 compared to FY2015. The increase was from a Company acquired in FY2016.

- (a) With the increase in planted hectarage, what would be the expected total FFB production for FY2017 and what would be the estimated contribution from the Company acquired in FY2017?

Ans The expected total FFB production for FY2017 would be about 1.4 million metric tons. The newly acquired company is expected to contribute approximately 20% of the total FFB production.

- (b) What is the plantable hectarage from the total Reserves, Unplanted, Building sites, etc of 32,553 hectares and could the Board share the timeline to commence planting on the plantable area?

Ans There are about 6,000 hectares to 7,000 hectares identified as plantable area that will be subject to planting five years from now.

2. The Group OER achieved in FY2016 was 19.97%. As stated in the Chairman's statement of Page 17 of the Annual Report, the Group will focus on improving OER where they are rooms for improvement.

Could the Board share the measures to be taken to improve the OER and what is the target OER to be achieved?

Ans The OER of the group is very much dependent on the quality of FFB processed. Therefore, the Group will focus on the improvement of FFB quality received in addition to on going monitoring of the mill efficiency. The Group nevertheless wishes to highlight that the FFB oil content would also be affected by the FBB from different soil type and weather pattern.

3. As reported in the Chairman's Statement on Page 17 of the Annual Report The Group launched its property development for residential properties at the outskirts of Miri City in year 2017 and the project was 80% completed. In year 2016, the Group also launched some units of commercial shophouses in the vicinity of the abovementioned residential properties:

- (a) What is the latest take-up rate for both residential and commercial properties?

Ans As of to-date, the latest take up rate is approximately 55% for both residential and commercial properties launched.

(b) What is the total GDV for both projects and what is the total unbilled sales as at 31 December 2016?

Ans GDV for both projects as at 31st December 2016 were approximately RM93 million. The total unbilled sales was less than RM2 million on 31st December 2016

(c) Other than the above projects, is there any other land bank earmarked for property development?

Ans 2 parcel of lands measuring about 30 hectares located at Kuching and Miri have been earmarked for properties development at this moment in time.

4. As stated in the Sustainability Report, the Group has set timeline targets for all of its palm oil mills to have biogas plant installed with the next 5 years.

(a) As at to-date, has the construction of biogas plant started in any of the mills of the Group?

Ans The Group has at the moment yet to commence any biogas and plan to start two plants by last quarter 2017.

(b) What is the expected CAPEX allocated for the biogas plant project in the next 5 years?

Ans The estimated CAPEX for the biogas plant ranges from RM80 million to RM100 million in total.