

BLD PLANTATION BHD.

[Registration No.: 200101026441 (562199-A)]

(Incorporated in Malaysia)

SUMMARY OF THE KEY MATTERS DISCUSSED AT THE 20TH ANNUAL GENERAL MEETING (“AGM”) OF BLD PLANTATION BHD. (“BLDP”) HELD AT KTS GARDEN, JALAN DATUK ABANG ABDUL RAHIM, 93450 KUCHING, SARAWAK ON WEDNESDAY, 7 SEPTEMBER 2022 AT 11.00 A.M.

The queries raised by the Minority Shareholder Watch Group (“MSWG”) and the responses from BLDP were presented at the AGM, detailed as outlined in Appendix 1, a copy as attached herewith.



MINORITY SHAREHOLDERS WATCH GROUP
Shareholder Activism and Protection of Minority Interest

30 August 2022

BY EMAIL/FAX/HAND

(Fax No: 6082-348 311)

The Board of Directors
BLD PLANTATION BHD
Level 6, Crown Towers88,
Jalan Pending
93450 Kuching, Sarawak

Attention: Mr. Alvin Lau Lee Jen/ Ms. Adeline Lau Kor See
Company Secretaries

Dear Directors,

Re: 20th Annual General Meeting ("AGM") of BLD Plantation Bhd. ("BLD" or the "Company") to be held on Wednesday, 7 September 2022

In the interest of minority shareholders and all other stakeholders of the Company, we would like to raise the following questions: -

Operational & Financial Matters

1. The matured areas of approximately 31,420 hectares accounts for about 80% of the Group's total planted area (page 2 of AR2022).

(a) What is the Group's planted, unplanted and unplanted area in hectares ("Ha") of its total oil palm plantation land?

The Group's planted area is about 39,000 Ha while the unplanted and unplanted area stands at about 12,000 Ha.

(b) Based on BLD's reply letter dated 21 December 2021 to MSWG's question raised at the previous AGM, it was stated that 5,400 Ha are planted with oil palm trees aged above 25 years. What are the Group's replanting plans for the financial year ending 2023 and what is the estimated CAPEX to be incurred?

The Group has rescheduled its replanting plan for the current financial year taking into account of the following reasons:

- a) In view of the challenging and uncertain global environments which may impact the oil palm industry;
 - b) The ongoing harvesting from its existing old oil palm trees are still economical and contributing positive cashflow to the operations.
- (c) Please provide information such as planted, unplanted and unplanted area, age profile of the oil palm trees, categorising them accordingly to immature, young mature, prime and old and production cost in future annual reports, as it would be more meaningful to shareholders.

We noted your suggestion.

2. In relation to the Group’s Sustainability matters (page 35 of AR2022):

Target	Material Sustainability Matters
Construction of Biogas Plant in BLD Igan Palm Oil Mill	Environmental Protection
Construction of Polishing Plant in BLD Igan Palm Oil Mill	Environmental Protection
Develop Forest Conservation and Protection Project	Environmental & Biodiversity Protection

- (a) What would be the estimated cost for the construction of the Biogas Plant? What is the targeted timeframe to complete the construction of the Biogas Plant?

About RM4 million and is targeted to be completed in Year 2022.

- (b) What would be the estimated cost for the construction of the Polishing Plant? What is the targeted timeframe to complete the construction of the Polishing Plant?

About RM3.5 million and is targeted to be completed in Year 2022.

- (c) What is the budgeted expenditure for the development of forest conservation and protection project?

The preliminary costs of the project are about RM300,000.

3. During the financial year, the subsidiary company donated to a welfare foundation, which have common directors, amounting to RM7.0 million. (Note 26 (c) Significant Related Party Transactions, page 128 of AR2022)

(a) Who are the directors involved in the welfare foundation? What are their roles in the welfare foundation?

Dato Henry Lau Lee Kong, Haji Wan Abdillah bin Wan Hamid, Datu Haji Sarudu bin Haji Hoklai together with other trustees of the foundation are participating in carrying out the objectives of the foundation.

(b) What is the rationale for making the donation to a welfare foundation related to the directors?

To carry out as part of the Group's CSR (corporate social responsibility) programs in accordance with the aspirations of the Group.

(c) What are the causes that the welfare foundation promotes?

To help the poor, disadvantaged and the realization of the dream of Malaysians in every aspect of their well-being in accordance with the Constitution of the foundation.

Corporate Governance Matters

- Appendix 9C Contents of Annual Report, Part A (11) of the Main Market Listing Requirements requires the remuneration of directors of the listed issuer (including the remuneration for services rendered to the listed issuer as a group) for the financial year on a named basis, stating the amount received or to be received from the listed issuer and on a group basis respectively. The disclosure must include the amount in each component of the remuneration (e.g. directors' fees, salaries, percentages, bonuses, commission, compensation for loss of office, benefits in kind based on an estimated money value) for each director.

The Company has explained that it has applied Practice 8.1 and due to confidentiality and security concerns, the remuneration of individual directors will not be disclosed on named basis (page 31 of the Corporate Governance Report 2022).

The disclosure made on page 20 of AR2022 for the remuneration of Directors is not in line with the disclosure requirement under Appendix 9C Contents of Annual Report, Part A (11) of the Main Market Listing Requirements. Please take note that the non-disclosure of the directors' remuneration on a named basis is a breach of the Main Market Listing Requirements.

We noted on MSWG's comment.

We furnish the following for your information:

	No. of Director	Director's Salary	Director's Fee	Director's Allowance	Medical Provision
Company	6	RM60,000	RM223,261	RM125,000	RM50,000
Group	6	RM424,615	RM312,861	RM1,978,239	RM50,000

- Practice 1.4 of the Malaysian Code of Corporate Governance states that the Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

The Company has departed from adopting the said Practice, in explaining the departure it was stated that Dato Henry Lau who is the Chairman of the Board is also the Chairman of the Remuneration Committee. (page 6 of the Corporate Governance Report 2022)

MSWG's Comment:

From the perspective of good corporate governance, the Executive Chairman of the Board shall not assume the role of Chairman of the Remuneration Committee. It would be best that the chairmanship of the Remuneration Committee be chaired by one of the three INEDs.

Given that Ms. Adeline Lau (Non-Independent Non-Executive Director) who is the daughter of Dato Henry Lau is also a member of the Remuneration Committee, does the Board plan to adopt Practice 1.4 to further enhance the independence and objectivity of the Remuneration Committee?

We noted on the MCCG practices and MSWG's comment.

The Board of Directors feels that the Executive Chairman is the most suitable person for the role.

6. The quantum of Directors' Fees and Directors' remuneration and benefits for the financial year ending 31 March 2023 to be paid, which the Company is seeking shareholders' approval under Resolution 1 and 2, were not stated in the Notice of AGM dated 28 July 2022.
 - (a) Please state, what are the Directors' Fees and Directors' remuneration and benefits for the financial year ending 31 March 2023 which the Company is seeking shareholders' approval for?

We take note of your comment.

For your information only, the Directors' Fees of RM228,900.00 and Directors' remuneration and benefits of RM233,600.00 are subject to the approval of shareholders at the 20th AGM of the Company.

- (b) To ensure that shareholders are aware of the quantum of Directors' Fees and Directors' remuneration and benefits that they are voting for, please state proposed payment amounts of the Directors' Fees and Directors' remuneration and benefits in the Notice of AGM in future.

We noted on the above comment.

Please present the questions raised herein, and the related answers, to the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records.

Thank you.

Yours sincerely

Devanesan Evanson
Chief Executive Officer
DE/RF/ECYL/BLD/AGM 2022