

BUMITAMA AGRI LTD. (the “Company”)
(Incorporated in Singapore)
(Company Registration Number: 200516741R)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

The Board of Directors of Bumitama Agri Ltd (the “Company”, “Bumitama” or together with its subsidiaries, the “Bumitama Group”) refers to the article in The Straits Times on page A8 titled “3 global giants drop Malaysian palm oil supplier” dated 7 April 2016.

The following information has been provided to SGX-ST in response to their queries:

We would like to draw the Company’s attention to an article in the Straits Times today entitled “3 global giants drop Malaysian palm oil supplier” (page A8). It is mentioned that 3 of the world’s top food and consumer goods companies, namely Unilever, Mars and Kellogg’s, have dropped or are in the process of removing IOI Corporation Berhad (“IOI”) and its subsidiaries (“IOI Group”) as their supplier. The article also mentioned that the Roundtable on Sustainable Palm Oil (“RSPO”) has suspended IOI’s certification for non-compliance with rules and the suspension took effect on Monday.

Please provide us with the Company’s response to the following questions:

- (1) As Bumitama has a strategic association with IOI through joint investments with IOI Group, what impact does the termination of IOI as supplier by the 3 companies have on Bumitama? Please provide a detailed account of how Bumitama is expected to be affected or not affected by this development.

Company’s response

The removal or process of removing IOI as supplier by the 3 companies and the suspension of their membership from the RSPO do not have any impact to Bumitama because of the following:

- (a) Although IOI has more than 30% interests in Bumitama, we are managed by a separate board and management team from that of IOI.*
- (b) There is no sales and purchase transaction of products between IOI Group and Bumitama Group.*
- (c) The registration and certification of sustainable palm oil with the RSPO for IOI and Bumitama is distinctly separate. The temporary suspension of IOI’s*

certification by the RSPO is strictly confined to IOI and does not affect Bumitama's certification or membership.

- (2) As reported in the article, a Dutch NGO accused IOI to have caused deforestation and community conflicts in its subsidiary's concessions in West Kalimantan. Please clarify if IOI's subsidiary in question is one of the two associated companies of Bumitama, in which Bumitama has a minority equity stake with IOI having a majority stake.

Company's response

It is confirmed that some of the companies in the PT Sawit Nabati Agro Group are IOI's subsidiaries in question, are associated companies of Bumitama, and

- (a) Bumitama has a minority stake (28%) in these associated companies. We do not have management control nor do we sit in to any of their management functions. The management control of these associated companies is with IOI.*
- (b) There are no sales and purchase transaction of products with these associated companies.*
- (c) We understand from IOI's published statement¹ on 31 March 2016 that their management are already putting up comprehensive replies and is drawing up mitigation plans on allegations from the Dutch NGO.*

By Order of the Board

Lim Gunawan Hariyanto
Executive Chairman and CEO

Date : 12 April 2016

¹ ["Statement by IOI Chief Executive Officer on RSPO suspension" was published on IOI's official website on 31 March 2016](#)