

**BUMITAMA AGRI LTD.**  
(Incorporated in Singapore)  
(Co. Reg. No: 200516741R)  
(the “Company”)

**MINUTES OF ANNUAL GENERAL MEETING (“AGM”)**

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<b>PLACE</b>	: Sofitel Singapore City Centre, Saga Room, Level 5, 9 Wallich Street, Singapore 078885 and by way of electronic means
<b>DATE</b>	: Friday, 22 April 2022
<b>TIME</b>	: 10.00 a.m.
<b>PRESENT</b>	: Shareholders as per attendance records
<b>IN ATTENDANCE</b>	: Directors, management team, company secretary, auditors of the Company, legal counsel, scrutineer and polling agent as per attendance records
<b>CHAIRMAN OF THE MEETING</b>	: Mr. Lim Gunawan Hariyanto

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**QUORUM**

As a quorum was present, the Chairman declared the meeting open.

**INTRODUCTION**

The Chairman gave a brief summary of the Group’s performance and industry outlook.

The Chairman introduced the following attendees who presented at the meeting and joined the meeting via live webcast:-

**Directors of the Company**

- the Lead Independent Director, Mr. Lim Hung Siang;
- the Independent Director, Mr. Lawrence Lua Gek Pong
- the Independent Director, Mr. Lee Lap Wah George;
- the Independent Director, Mr. Witjaksana Darmosarkoro (through live webcast);
- the Executive Director, Ms. Lim Christina Hariyanto.

**Professionals**

- the Company Secretary from TMF Singapore H Pte. Ltd., Ms. Chiang Wai Ming;
- the Audit Partner from Ernst & Young LLP, Mr. Vincent Toong; and
- the Partner from Morgan Lewis Stamford LLC, Mr. Ng Joo Khin (through live webcast).

**Management Team** (through live webcast)

- the Chief Financial Officer, Mr. Sie Eddy Kurniawan;
- the Chief Operating Officer, Mr. Roebianto; and
- the Chief Sustainability Officer, Ms. Lim Sian Choo.

The Non-Executive Director, Dato’ Lee Yeow Chor sent his apologies for not being able to attend the meeting.

## **NOTICE**

The Notice convening the meeting was taken as read.

## **VOTING BY WAY OF A POLL**

Mr. Lim Gunawan Hariyanto, in his capacity as Chairman of the meeting, had demanded a poll on all motions to be tabled at the meeting in accordance with the Company's Constitution and the Rule 730A of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). He had been appointed as a proxy by shareholders and he would be voting in accordance with their instructions.

Finova BPO Pte Ltd and B.A.C.S. Private Limited were appointed as Scrutineer and Polling Agent, respectively. The validity of the proxies submitted by the shareholders before the submission deadline had been reviewed and the votes of all such valid proxies had been counted and verified.

## **QUESTIONS RECEIVED FROM SHAREHOLDERS**

The Company had received a question from a shareholder before 14 April 2022 and the Company had addressed and published its response on SGXNet and the Company's website on 15 April 2022. The Company had subsequently received some questions from a shareholder and the Securities Investors Association (Singapore) ("**SIAS**"). The Company would share the questions and responses to shareholders after a presentation given by the Company's Head of Investor Relations.

The Company Secretary reminded shareholders that shareholders were able to ask questions 'live' at both the Physical and Virtual Meetings as stated in the Notice of AGM.

Mr. Michael Kesuma, the Company's Head of Investor Relations was invited and gave a presentation on the performance of the Group in FY2021.

The questions from a shareholder and SIAS and the Company's responses to these questions were displayed at the AGM. They were outlined in Appendix A and B attached to this Minutes.

The Chairman invited shareholders to ask questions and the following questions were received and addressed:-

### **Questions from the shareholders who attended at Physical Meeting**

- 1) A shareholder asked the following questions :-
  - a) Noted that Indonesian government policy had announced the release of new land for palm oil plantation, and the Company had not been getting new land for the past 3-year or been allocated new land by the government. He asked whether the Company would have any plan of getting new land and the strategy of the Group such as acquiring land from 3<sup>rd</sup> party or managing other plantations for a fee, going forward.

#### **The Chairman's reply:**

"The moratorium for new palm oil plantation permits by the Indonesian government has expired and the Indonesian government did not allocate more land for palm oil plantations. The Group would need to acquire land from a third party if necessary.

At this moment, the Group has strategised to maintain its current plantation size of approximately 190,000 hectares and focused on the ongoing challenges faced such as climate changes, rising costs of farm inputs and implementing strict health protocol.

Instead of new planting, the Group has started progressive replanting activities to align for a more stable cash flow trajectory. Some of these efforts include the use of superior seeds for replanting while also managing matters relating to Environmental, Social and Governance to ensure a more sustainable business operation in the long run. The Group strives to maintain a healthy growth which would ultimately be beneficial to the shareholders and stakeholders in the long run.”

- b) Citing the business outlook described in the Chairman Statement of Annual Report particularly relating to exploring potential high-return investments, the shareholder suggested management could consider venturing into coconut plantation as it was top three cash crops in Indonesia. He further commented that coconut oil price was higher than soya bean oil and also higher harvest.

The Chairman’s reply:

“The Chairman thanked the shareholder for the valuable suggestion and stated that the Company would study the proposed suggestion.”

- c) The Indonesian government had imposed a different levy for cooked palm oil and refinery process palm oil. He asked the percentage of the processed palm oil distributed to the local market by the Group which could fetch a higher selling price.

The Chairman’s reply:

“The Group has yet to venture into downstream palm oil business but would look into it when the opportunity arises.”

- 2) Another shareholder posted the following questions to the Company-

- a) In view of the strong performance of palm oil prices and the financial performance of the Group, whether the Company would consider declaring any special bonus/dividend to shareholders.
- b) Given the easing of social distancing measures and the Company had its 10<sup>th</sup> year anniversary listed on the Mainboard of the Singapore Exchange, whether the Company would hold any special events to mark its 10<sup>th</sup> year anniversary.
- c) The expectation of the Company on the profit and turnover of the Group for the year 2022 in view of the current favourable palm oil prices.

The Chairman’s reply:

“In view of the Company’s policy and listing rules requirement, the Company was unable to provide any forward statement/ forecast to shareholders. However, the Company assured that the Directors and management acted and would continue to work in the best interest of the shareholders and stakeholders.

The Group had taken note of the 10<sup>th</sup> year anniversary as suggested and would look into it”

Mr. Lee Lap Wah George sought shareholders’ understanding that despite the strong performance of the palm oil prices and revenue, the Group’s operating costs i.e. transportation and fertiliser had also increased significantly given the rising pressure of the conflict between Russia and Ukraine.

Mr. Michael Kesuma also added that market consensus from equity analysts that provided coverage on Bumitama had anticipated that earnings growth in 2022 was in the range of 10-30% versus 2021's figure.

### **Questions from the shareholder who attended at Virtual Meeting**

In the interest of time, Mr. Michael Kesuma informed that the Company would address another two questions received from shareholders who attended the AGM virtually based on a first-come-first-serve basis.

A shareholder posted the following questions to the Company:-

- a) Based on the information and data extracted from the Quarterly Report and Annual Report, what was the reason for operating profit generated from the purchase of Fresh Fruit Bunch ("FFB") from Plasma and the third party estimated to be 50% less than the previous year?

The Company's reply:

"The Year 2021 was a weather disruption year which resulted in lesser FFB production volume from Plasma estates and third-party purchases. Within the period, there was also a higher purchase price as it trails palm oil price which had been rising sharply due to the tight global inventory situation. Thus, lower operating profits were generated therefrom."

- b) What is the reason that the Group still needs to spend of about IDR1.0 trillion for capital expenditure ("CAPEX") yearly while FFB production in the last four years was stagnant?

The Company's reply:

"The majority of the CAPEX amount was committed on fixed assets and infrastructure such as enhancement on Information Technology, repair of buildings and road."

Mr. Michael Kesuma thanked the shareholders who asked the questions and provided valuable suggestions. He then handed the proceedings back to the Chairman.

### **ORDINARY BUSINESS:**

#### **RESOLUTION 1 – AUDITED FINANCIAL STATEMENTS, DIRECTORS' STATEMENT AND AUDITORS' REPORT**

The Chairman proceeded to receive and adopt the Directors' Statements and Audited Financial Statements of the Company for the financial year ended 31 December 2021 and the Auditors' Report.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 1</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,517,190,447	100
No. of Shares against	30,400	0
No. of shares abstained	0	-

Based on the results of the poll, the Chairman declared Resolution 1 carried.

It was RESOLVED:

“That the Directors’ Statements and Audited Financial Statements of the Company for the financial year ended 31 December 2021 and the Auditors’ Report be received and adopted.”

## **RESOLUTION 2 – FINAL DIVIDEND**

Directors had recommended the payment of a final dividend of 3.3 Singapore cents per share (one-tier tax exempt) for the financial year ended 31 December 2021.

The Company had announced the register of members and register of transfer of the Company would be closed on 29 April 2022 and the payment of dividend would be made on 10 May 2022, subject to shareholders’ approval.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 2</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,517,190,447	100
No. of Shares against	30,400	0
No. of shares abstained	0	-

Based on the results of the poll, the Chairman declared Resolution 2 carried.

It was RESOLVED:

“That the payment of a final dividend of 3.3 Singapore cents per share (one-tier tax exempt) for the financial year ended 31 December 2021 be approved.”

## **RESOLUTION 3 – RE-ELECTION OF MR. LIM GUNAWAN HARIYANTO AS DIRECTOR**

As resolution 3 dealt with the re-election of Mr. Lim Gunawan Hariyanto as a Director of the Company, Mr. Lim Hung Siang took over the chairmanship for this motion.

The motion for the above Resolution was proposed by Mr. Lim Hung Siang and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 3</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,516,090,447	99.93
No. of Shares against	1,130,400	0.07
No. of shares abstained	0	-

Based on the results of the poll, the Chairman declared Resolution 3 carried.

It was RESOLVED:

“That Mr. Lim Gunawan Hariyanto be re-elected as a Director of the Company.”

Mr. Lim Hung Siang returned the chairmanship to Mr. Lim Gunawan Hariyanto.

#### **RESOLUTION 4 – RE-ELECTION OF MR. LEE LAP WAH GEORGE AS DIRECTOR**

Resolution 4 dealt with the re-election of Mr. Lee Lap Wah George as a Director of the Company.

Shareholders were informed that Mr. Lee Lap Wah George would, upon re-election as a Director of the Company, remain as Chairman of the Conflict Resolution & Enterprise Risk Management Committee and as a member of the Audit Committee, Governance & Nominating Committee, and the Remuneration Committee. Mr. Lee Lap Wah George would be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 4</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,504,301,947	99.15
No. of Shares against	12,918,900	0.85
No. of shares abstained	0	-

Based on the results of the poll, the Chairman declared Resolution 4 carried.

It was RESOLVED:

“That Mr. Lee Lap Wah George be re-elected as a Director of the Company.”

#### **RESOLUTION 5 – RE-ELECTION OF MR. WITJAKSANA DARMOSARKORO AS DIRECTOR**

Resolution 5 dealt with the re-election of Mr. Witjaksana Darmosarkoro as a Director of the Company.

Shareholders were informed that Mr. Witjaksana Darmosarkoro would, upon re-election as a Director of the Company, remain as Chairman of the Governance & Nominating Committee and as a member of the Audit Committee and Conflict Resolution & Enterprise Risk Management Committee. Mr. Witjaksana Darmosarkoro would be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 5</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,515,864,047	99.91
No. of Shares against	1,356,800	0.09
No. of shares abstained	0	-

Based on the results of the poll, the Chairman declared Resolution 5 carried.

It was RESOLVED:

“That Mr. Witjaksana Darmosarkoro be re-elected as a Director of the Company.”

#### **RESOLUTION 6 – DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2022**

The Board had recommended the payment of Directors’ fees of S\$404,000 for the financial year ending 31 December 2022, to be paid quarterly in arrears at the end of each calendar quarter.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 6</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,517,140,447	100
No. of Shares against	30,400	0
No. of shares abstained	50,000	-

Based on the results of the poll, the Chairman declared Resolution 6 carried.

It was RESOLVED:

“That Directors’ fees of S\$404,000 for the financial year ending 31 December 2022 be approved and payable quarterly in arrears.”

#### **RESOLUTION 7 – DIRECTOR’S FEE TO BE PAID TO MR. WITJAKSANA DARMOSARKORO FOR THE PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2021**

The Board had recommended the payment of the Director’s fee of S\$38,750 to be paid to Mr. Witjaksana Darmosarkoro for the period from 1 July 2021 to 31 December 2021.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 7</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,517,140,447	100
No. of Shares against	30,400	0
No. of shares abstained	50,000	-

Based on the results of the poll, the Chairman declared Resolution 7 carried.

It was RESOLVED:

“That Director’s fee of S\$38,750 to be paid to Mr. Witjaksana Darmosarkoro for the period from 1 July 2021 to 31 December 2021.”

## **RESOLUTION 8 – RE-APPOINTMENT OF AUDITORS**

Shareholders were informed that the retiring auditors, Ernst & Young LLP, had expressed their willingness to continue in office.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 8</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,517,190,447	100
No. of Shares against	30,400	0
No. of shares abstained	0	-

Based on the results of the poll, the Chairman declared Resolution 8 carried.

It was RESOLVED:

“That Ernst & Young LLP, Public Accountants and Chartered Accountants, Singapore, be re-appointed Auditors of the Company at a remuneration to be fixed by the Directors.”

## **ANY OTHER ORDINARY BUSINESS**

As no notice of any other ordinary business has been received by the Secretary, the Chairman proceeded with the special business of the meeting.

## **SPECIAL BUSINESS:**

### **RESOLUTION 9 – RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS WITH IOI CORPORATION BERHAD AND ITS ASSOCIATES**

Shareholders were asked to approve the renewal of the mandate for the Company, its subsidiaries and target associated companies or any of them to enter into any of the transactions falling within the types of Interested Person Transactions for the purposes of Chapter 9 of the Listing Manual of the SGX-ST.

Shareholders were informed that IOI Corporation Berhad and its associates should abstain from voting on the motion.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 9</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	960,511,477	100
No. of Shares against	37,300	0
No. of shares abstained	556,672,070	-

Based on the results of the poll, the Chairman declared Resolution 9 carried.

It was RESOLVED:



“That for the purposes of Chapter 9 (“**Chapter 9**”) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”):

- (a) approval be and is hereby given for the renewal of the mandate for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the Listing Manual of the SGX-ST), or any of them, to enter into any of the transactions falling within the types of interested person transactions, the particulars of which are as set out in Annexure I to the Appendix dated 7 April 2022 to the Annual Report (the “**Appendix**”), with any party who is named in Annexure I to the Appendix, provided that such interested person transactions are carried out in the normal course of business, at arm’s length and on normal commercial terms and in accordance with the guidelines of the Company for such interested person transactions as set out in Annexure I to the Appendix (the “**Shareholders’ Mandate for IOI Transactions**”);
- (b) the Shareholders’ Mandate for IOI Transactions shall, unless revoked or varied by the Company in a general meeting, continue in force until the date that the next annual general meeting of the Company is held or is required by law or the Constitution of the Company to be held, whichever is earlier;
- (c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the procedures described in Annexure I to the Appendix and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 which may be prescribed by the SGX-ST from time to time; and
- (d) authority be given to the directors of the Company to complete and do all such acts and things (including executing all such documents as may be required) as they, or each of them, may consider necessary, desirable or expedient to give effect to the Shareholders’ Mandate for IOI Transactions and/or this resolution as they may think fit.”

#### **RESOLUTION 10 – SHARE ISSUE MANDATE**

Shareholders were asked to approve Resolution 10 authorising the Company’s Directors to allot and issue shares pursuant to Section 161 of the Companies Act 1967, and Rule 806 of the Listing Manual of the SGX-ST.

The motion for the above Resolution was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 10</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	1,503,096,283	99.07
No. of Shares against	14,124,564	0.93
No. of shares abstained	0	-

Based on the results of the poll, the Chairman declared Resolution 10 carried.

It was RESOLVED:

“That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”), the Constitution of the Company and in accordance with Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), approval be and is hereby given to the directors

of the Company to issue:

- (a) shares in the capital of the Company (whether by way of rights, bonus or otherwise); or
- (b) convertible securities; or
- (c) additional convertible securities arising from adjustments made to the exercise price or conversion price and, where appropriate, the number of convertible securities previously issued in the event of a rights issue, bonus issue or subdivision or consolidation of shares pursuant to Rule 829 of the Listing Manual of the SGX-ST; or
- (d) shares arising from the conversion of convertible securities, notwithstanding that the general mandate may have ceased to be in force at the time the shares are to be issued,

at any time and upon such terms and conditions and for such purposes as the directors of the Company may in their absolute discretion deem fit provided that:

- (i) the aggregate number of shares and convertible securities that may be issued shall not be more than 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, or such other limit as may be prescribed by the SGX-ST, as at the date this resolution is passed;
- (ii) the aggregate number of shares and convertible securities that may be issued other than on a pro-rata basis to existing shareholders shall not be more than 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, or such other limit as may be prescribed by the SGX-ST, as at the date this resolution is passed;
- (iii) for the purpose of determining the aggregate number of shares and convertible securities that may be issued under sub-paragraphs (i) and (ii) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date this resolution is passed shall be calculated after adjusting for: (1) new shares arising from the conversion or exercise of convertible securities; (2) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and (3) any subsequent bonus issue, consolidation or subdivision of the Company's shares, provided that any adjustments made under sub-paragraphs (1) and (2) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting as at the date this resolution is passed; and
- (iv) unless earlier revoked or varied by the Company in a general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company ("**AGM**") or the date by which the next AGM is required by law or the Constitution of the Company to be held, whichever is earlier."

#### **RESOLUTION 11 – RENEWAL OF THE SHARE BUYBACK MANDATE**

Shareholders were asked to approve the Renewal of the Share Buyback Mandate.

Shareholders were informed that Dato' Lee Yeow Chor and his concert parties would abstain from voting in respect of this motion.

Subsequently, shareholders were reminded that by voting for the Renewal of the Share Buyback Mandate, they are waiving their rights to a general offer at the required price from Dato' Lee and his concert parties under the circumstances set out in the Appendix dated 7 April 2022 to the Annual Report.

The motion set out under item 10 of the Notice of Annual General Meeting was proposed by the Chairman and the votes were cast in accordance with voting instructions received.

The Chairman proceeded with the poll and the results were as follows:

<b>Ordinary Resolution 11</b>	<b>Votes</b>	<b>%</b>
No. of Shares for	960,499,404	99.99
No. of Shares against	49,373	0.01
No. of shares abstained	556,672,070	-

Based on the results of the poll, the Chairman declared Resolution 11 carried.

It was RESOLVED:

“THAT:

- (a) for the purposes of the Companies Act 1967 of Singapore (the “**Companies Act**”) and the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the issued ordinary shares fully paid in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined) during the Relevant Period (as hereafter defined), at such price(s) as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) on-market purchases transacted through the SGX-ST's trading system or on another stock exchange on which the issuer's equity securities are listed (“**Market Acquisitions**”); or
  - (ii) off-market acquisitions in accordance with an equal access scheme as defined in Section 76C of the Companies Act (“**Off-Market Acquisitions**”),
- and otherwise in accordance with all other provisions of the Constitution of the Company, the Companies Act and the Listing Manual of the SGX-ST as may for the time being be applicable (the “**Share Buyback Mandate**”);
- (b) the authority conferred on the directors of the Company pursuant to the Share Buyback Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:
- (i) the date on which the next annual general meeting of the Company (“**AGM**”) is held or is required by law or the Constitution of the Company to be held, whichever is earlier;
  - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
  - (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by the shareholders of the Company in a general meeting;
- (c) in this resolution:

“**Prescribed Limit**” means that number of issued Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the

passing of this resolution unless: (i) the Company has, at any time during the Relevant Period, reduced its share capital by a special resolution under Section 78C of the Companies Act; or (ii) the court has, at any time during the Relevant Period, made an order under Section 78I of the Companies Act confirming the reduction of share capital of the Company, in which event, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be taken to be the total number of issued Shares (excluding treasury shares and subsidiary holdings) as altered;

**“Relevant Period”** means the period commencing from the date on which the AGM at which this resolution is passed is held and expiring on the date on which the next AGM is held or is required by law or the Constitution of the Company to be held, whichever is earlier, after the date of this resolution; and

**“Maximum Price”** in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Acquisition: 105% of the Average Closing Price;
- (ii) in the case of an Off-Market Acquisition pursuant to an equal access scheme: 120% of the Average Closing Price, where:

**“Average Closing Price”** means the average of the closing market prices of the Shares over the last five market days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Acquisition or, as the case may be, the day of the making of the offer pursuant to the Off-Market Acquisition, and deemed to be adjusted for any corporate action that occurs during such five-market day period and the day on which the purchases are made; and

**“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Acquisition; and

- (d) any of the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution.”

## **CONCLUSION**

There being no other business to transact, the Chairman declared the Annual General Meeting of the Company closed at 11.24 a.m.

Confirmed as True Record of Proceedings Held

Lim Gunawan Hariyanto  
Chairman

**Questions from a shareholder received after 14 April 2022:**

- 1) Congratulations on winning Asiamoney Most Outstanding Company in Singapore for the decade in Year 2019 and Asiamoney's Most Outstanding (Small/Mid Cap) Company in Singapore in Year 2021. Could you elaborate what Asiamoney finds truly outstanding in Bumitama?

The Company's reply:

The Asia's Outstanding Companies Poll is designed to acknowledge the listed companies that have excelled in areas such as financial performance, management team excellence, investor relations and CSR initiatives. Winners are decided based on votes received.

- 2) Which of these three cash crops (rubber, palm oil and coconut) use the most amount of fertilizers and which use the least? What is the estimated cost savings by replacing up to 10% of the current usage of inorganic fertilisers and compounds with organic fertiliser for Bumitama palm oil plantations? Will this measure affect palm oil FFB yield?

The Company's reply:

Bumitama will not be commenting on rubber and coconut as we are not in this business.

The Company has been implementing best agronomy practices by using composted production waste as an organic fertiliser, supplemental in nature. Aside from recycling of nutrient-rich organic materials back into production, we are also committed to reduction of GHG emissions and increase of organic soil content important for healthy soil.

In order to maximise the use of organic fertiliser, the Group has been running tests in many of its operational sites, gradually stepping up the programme in view of the current rising prices of fertilisers. The estimated cost savings and details of the replacement volume of inorganic fertiliser are yet to be derived, depending on a number of aspects, which vary from site to site, such as the quality and quantity of the production waste, the technology used in its processing and enhancing, the logistics of application to the site, and others. We will be able to share more details with our shareholders at a later date.

- 3) Bumitama has used drones to disseminate seeds in the reforestation of 800 hectares of conservation areas. Any plans to use drones in Bumitama palm oil plantations to increase water and fertilizer efficiency and reduce excess fertilizer that runs off into nearby rivers? Reference: <http://blogs.edf.org/growingreturns/2015/08/19/3-ways-drones-can-help-take-agriculture-to-new-sustainability-heights/>

The Company's reply:

Drones are increasingly utilised in oil palm plantations amidst current trend of digitalisation. It is generally used for its highly mobile capability, in surveying, land mapping, tree counting, fruit

census as well as in identifying suitable dosage of fertiliser per each block of plantation estate. The advancement of this technology has assisted our industry greatly.

Existing plantation areas in river riparian zones are managed under special fertiliser and chemical application procedures, intended to minimise any run-off and leaching of chemical substances into the waterways. These areas have been delineated in the HCV assessments and are clearly marked. We regularly monitor the water quality in the main waterways going through our plantations. Any riparian areas planted by oil palm trees will be rehabilitated in the replanting process, to restore the natural vegetation and protect the river water quality and biodiversity.

- 4) Could you elaborate on the replanting of higher-yielding and more climate resilient seedlings ahead of time in 2021? What is the estimated increase in yield and what percentage reduction of rainfall can these climate resilient palm trees withstand?

The Company's reply:

Sustainable business growth, using higher-yielding and more climate resilient seeds is a key objective that the Group evaluates its decision-making processes. We expect that the global research centres will increasingly utilise the technological advancement in generating superior palm seed variants, providing high yield per hectare, while developing increased tolerance to drought, resistance to diseases and generally shorter tree height.

With the replanting programme that started very recently in 2021, the Group is not able to share on expected yield improvement yet. The programme is planned in stages, prioritising replanting of aging and low yielding palm trees. For the year 2022, we plan to replant approximately 1,400 hectares of our nucleus plantation areas.

- 5) Are there any Bumitama plantations affected by pests such as rats which are common in some Malaysian palm oil plantations? Does Bumitama have effective measures to deal with pests and crop diseases in place?

The Company's reply:

Whenever possible, the Company prioritise the use of environmentally friendly practices. Bumitama has adopted an integrated pest management strategy, starting with routine detection, suppressing pest-infested blocks by using biological pest control agents, such as *Tyto Alba* species of barn owl, in combating against rat infested areas. Other effective measure of biological agents is planting of *Turnera Subulata*, a beneficial plant that attracts natural predators to reduce population of caterpillars significantly.

More than 99% of our planted palms are still in its first planting cycle. Hence, pest and diseases are small, infrequent and containable in Bumitama.

### Questions from SIAS dated 14 April 2022

- Q1. As noted in the chairman's message, the group manages 187,917 hectares of planted area in three provinces in Indonesia, 96.4% of which are mature plants in prime productivity. The weighted average age of the trees is 11.6 years.

The group has also carried out replanting for 500 hectares of older palms with higher-yielding and more climate resilient seedlings in 2021. This replanting was carried out "well ahead of time" in order to maximise assets and returns.

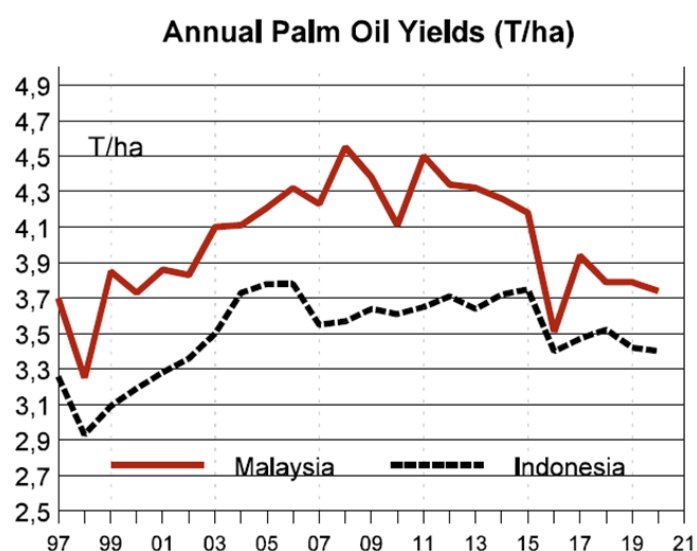
Some of the productivity metrics are shown in the operational and financial highlights (page 8; reproduced below).

- (i) Can management help shareholders better understand the reasons for the declining FFB yield per matured hectare over the past 3-4 years? How much of the decline in FFB yield could be attributed to unfavourable weather conditions?

The Company's reply:

Declining FFB yield in the last 3 years is primarily due to weather related factors. Starting with dry spell of 2019 which resulted in water deficit, it was followed by shorter sunshine hours during double dip La Nina events of 2020 and 2021. Nonetheless, the Group has managed to accomplish its fertiliser programme as recommended by its research and development team. Hence, we believe the declining yield is mostly weather-related.

Additionally, yield statistics provided by Oilworld, a leading research organisation, has shown declining trend since 2015 in major palm oil producing regions across Indonesia and Malaysia.



- (ii) How has the group been able to maintain the CPO yield per matured hectare at 4.2 - 4.3 in the past three years despite falling FFB yield?

The Company's reply:

Amidst declining FFB yield trend that has been happening in the past decade, mainly due to weather conditions, Bumitama managed to maintain its oil extraction performance relatively well. It is the main reason why we have managed to maintain our CPO yield over the years, through

continuous improvement and strengthening our productivity resilience by implementing best agronomy practices and discipline throughout our operations.

- (iii) What percentage of the group's plantations have trees that are 20 years or older?

The Company's reply:

At the close of 2021, around 3.4% of nucleus estates are composed of palms with 20 years and older.

- (iv) The group has 96.4% of mature plants and 3.6% of immature plants. Is the group actively reinvesting (through replanting and replacing old trees) to ensure that the plantation maintains its productivity in the future? Can the company provide shareholders with greater clarity on the replanting schedule?

The Company's reply:

Sustainable business growth is a key objective that we have always prioritised in our daily decision-making processes.

Currently, replanting activities are being planned in stages, and targeted towards several categories which include aging palms, lower productivity performance, and other issues that are strategic in nature.

For the year 2022, we have planned to replant approximately 1,400 hectares of our nucleus earlier than its replanting age of 25 years, with productivity as the main consideration in those specific areas.

- (v) What is the improvement in the yield of a modern (high-yield) oil palm tree compared to the trees planted 20 years ago?

The Company's reply:

Global research centres have continuously invested in generating superior palm seed variants with desirable traits, such as higher oil yield, more tolerance to drought, and shorter height palms to reduce the cost of harvesting.

- Q2. The group's sustainability and corporate social responsibility report can be found on pages 22 to 36 of the annual report. The sustainability milestones across the years can be seen on page 23 (extract reproduced below).

- (i) Can management update shareholders on the methane capture project in Riau and help shareholders understand the impact on carbon footprint of the project? Are there plans to carry out methane capture in Kalimantan?

The Company's reply:

The Group has prioritised the Riau site in implementation of its Carbon emissions management programme, as it constitutes the largest share of the Group's POME emissions; this programme is estimated to decrease the total GHG emissions from POME by 11%. The Group will continue with the implementation of its holistic Carbon emissions management programme, which besides establishing facilities at all Group's mills to treat POME to reduce its GHG emissions, includes replacing portion of the inorganic fertiliser application with organic fertiliser substitutes, improved solid waste management and composting, diesel usage reduction, photovoltaic panels installations and improvement of carbon sequestration through the 40,619 ha of our conservation areas. In 2021, the Company has reduced its emissions to 1.38 ton CO<sub>2</sub>/ ton of CPO, 15% below our baseline, which is in line with our target. The Company has plans to extend the methane



capture activities and other carbon emission reduction initiatives into Kalimantan, as part of the Company's drive towards minimising its impact on climate change.

- (ii) What are the key pillars/main driving force of the group's climate change strategy?

The Company's reply:

The Company's approach to climate change has two pillars: mitigation and resilience. We aim to mitigate our impact on climate change through concentrating on conservation and biodiversity, emissions, waste, and water. Additionally, we assess the impact of climate change on our operations, people, and environment as well as develop resiliency plans.

Climate change mitigation strategy is part of our company policy. With a target to reduce our emissions footprint by 30% from the 2016 baseline by 2030, we implement programmes and measures focusing on POME (Palm Oil Mill Effluents) treatment, efficient material use, stewardship of water resources, waste management, nutrient recycling, energy sourcing and carbon sequestration through conservation and reforestation programmes to minimise our impact on the environment.

- (iii) The group has also stated that it aims to have all nucleus estates and plasma smallholders certified by 2023. Can management update shareholders on the progress? Has the pandemic affected the group's certification efforts/pace?

The Company's reply:

The pandemic has affected the Group's certification pace as new certification audits, conducted on the ground had to be postponed, due to the national travel restrictions and implementation of Company-wide preventive measures. Re-audits of existing certifications were conducted online, without any hindrance. As the restrictions ease, we will continue with our certification programme in accordance with the Group's plans.

To date, we have 8 RSPO certifications covering total area of 56,433 hectares or 236,962 MT of CPO & PK produced. With regards to ISPO certifications, the Company currently has 4 units certified, with plans to increase the number through joint certification audits for both certifications. Issuance of pending and scheduled certificates is subject to approval from the ISPO Board.

In addition, the group is one of the first few oil palm growers to adopt a "No Deforestation, No Peat and No Exploitation" policy.

- (iv) What is the level of oversight by senior management and by the board to ensure that its "No Deforestation, No Peat and No Exploitation" policy is effective on the ground and achieves the desired outcomes?

The Company's reply:

On quarterly basis, the Company's Chief Sustainability Officer reports to and obtains feedback and directions from the Company's board on the progress made in the sustainability initiatives of our operations, including the aspects of NDPE. The senior management is updated on bi-weekly bases on the details of the sustainability programmes implementation.

The board together with the senior management also ensure the Policy remains relevant and capable of addressing priority issues, and consistently review and further refine the Policy and Company's reporting to comply with the regulatory standards and market expectations.

Q3. The group's sukuk rating was upgraded from AA3/Stable to AA2/Stable in January 2022 by RAM Ratings. The group had leveraged its strong cash flows from the high CPO-price climate to repay loans and borrowings, bringing down the net gearing ratio to 0.33 times.

This is the lowest level of leverage since the listing in 2012.

(i) Can the board/management elaborate further on its capital management framework?

The Company's reply:

We continually seek to balance our leverage position against prevailing financial condition of the company and world economy at large. In principle, we strive to maximise long-term shareholder value.

We will continue to look for ways to grow the business sustainably, through increasing sales, earnings, and free cash flow, as well as paving the way for increasing dividends. We believe in shareholder value creation that would best reward investors in the long term.

(ii) What is the optimal gearing ratio that would support the group's growth plans?

The Company's reply:

The general rule of thumb of optimal gearing ratio for established companies is typically around 50%. However, it really depends on key factors such as average age of the plantation, cost of financing, capital market conditions and the purpose of financing.

The Company will continue to strengthen its balance sheet by always remaining prudent and cautious to maintain sufficient cashflow for operational activities, as well as for any possible future investment. The Group remains opportunistic yet mindful when it comes to future investment to further grow our business.

For FY2021, the group had declared and paid interim dividend of \$0.0045 per ordinary share on 17 September 2021. A final dividend of \$0.033 per ordinary share for FY2021 has been recommended by the board. The group has a dividend policy to distribute up to 40% of its distributable income, subject to the group's cash flow and financial position, capital expenditure plan, debt repayment schedule, dividends received from its subsidiaries, industry conditions and prospects.

(iii) Is the company in the position to review its dividend policy?

The Company's reply:

Our key objective is to maximise shareholder value in the long-term. Therefore, we continually look for ways to grow the business sustainably, through increasing sales, earnings and free cash flow, paving the way for increasing dividends. Aside from reviewing our dividend policy, which will be subject to the board and shareholders' approval, we focus on shareholder value creation as the best reward to our investors in the long term.