

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY IF YOU HAVE ANY DOUBT ABOUT THE PROPOSED SCR (AS DEFINED HEREIN).**

If you have sold or transferred all your shares in NPC Resources Berhad ("**NPC**" or the "**Company**"), you should hand this document ("**Document**") together with the enclosed Form of Proxy immediately to the person through whom you have effected the sale or transfer for onward transmission to the purchaser or transferee.

The Securities Commission Malaysia ("**SC**") has notified that it has no further comments on this Document pursuant to subparagraph (2)(a) of Schedule 3 of the Rules on Take-overs, Mergers and Compulsory Acquisitions. However, such notification shall not be taken to suggest that the SC recommends the Proposed SCR or that the SC agrees with the recommendation of the Board of Directors of NPC (save for Dato' Loo Pang Kee, who is an interested director and has abstained from deliberation and/or recommendation in respect of the Proposed SCR) or that the SC assumes responsibility for the correctness of any statement made or opinion or report expressed in this Document.

The SC takes no responsibility for the contents of this Document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Document.



## **NPC RESOURCES BERHAD**

Registration No. 199901027413 (502313-P)  
(Incorporated in Malaysia)

### **PART A**

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF NPC PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 ("PROPOSED SCR")**

### **PART B**

**INDEPENDENT ADVICE LETTER FROM DWA ADVISORY SDN BHD TO THE NON-INTERESTED DIRECTORS AND NON-INTERESTED SHAREHOLDERS OF NPC IN RELATION TO THE PROPOSED SCR**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Principal Adviser*

*Independent Adviser*



**AmInvestment Bank**

**AmInvestment Bank Berhad**

(Registration No. 197501002220 (23742-V))

(A Participating Organisation of Bursa Malaysia Securities Berhad)



**DWA Advisory Sdn Bhd**

(Registration No. 201301002419 (1032257-D))

The Proposed SCR will be tabled as Special Resolution at the Extraordinary General Meeting ("**EGM**") of NPC which will be held physically at Gold Room, Ground Floor, The Palace Hotel, No. 1, Jalan Tangki, Karamuning, 88100 Kota Kinabalu, Sabah on Friday, 25 April 2025 at 11:00 a.m. or at any adjournment thereof. The Notice of EGM together with the Form of Proxy are enclosed in this Document.

The Form of Proxy must be completed and lodged at the Registered Office of NPC at Lot 9, T3, Taman Tshun Ngen, Mile 5, Jalan Labuk, 90000 Sandakan, Sabah, Malaysia not less than 24 hours before the time set for holding the EGM or at any adjournment thereof.

Last date and time for lodging the Form of Proxy : Thursday, 24 April 2025 at 11:00 a.m.

Date and time of the EGM : Friday, 25 April 2025 at 11:00 a.m.

This Document is dated 3 April 2025

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Document:

Act	:	Companies Act 2016
AmInvestment Bank or Principal Adviser	:	AmInvestment Bank Berhad (Registration No. 197501002220 (23742-V))
Arthur Loo	:	Arthur Loo Cheng Kuan, being Dato' Loo PK's son
Board	:	Board of Directors of NPC
Bonus Shares	:	New NPC Shares to be issued as fully paid-up pursuant to the Proposed Bonus Issue
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CDS Account	:	An account established by Bursa Depository for the holder of the account to record his deposits or withdrawals of securities and to deal in such securities
Circular	:	The circular dated 3 April 2025 to the shareholders of NPC in relation to the Proposed SCR, as set out in <b>Part A</b> of this Document
CMSA	:	Capital Markets and Services Act 2007
Dato' Loo PK	:	Dato' Loo Pang Kee
Document	:	This document dated 3 April 2025 which consists of the Circular, the IAL and all the accompanying appendices, collectively, in relation to the Proposed SCR
DWA Advisory or Independent Adviser	:	DWA Advisory Sdn Bhd (Registration No. 201301002419 (1032257-D))
eDividend Account(s)	:	The bank account(s) registered with Bursa Depository by the Entitled Shareholders for purposes of receiving electronic cash dividend payments
Effective Date	:	The date on which an office copy of the High Court Order is lodged with the Registrar of Companies pursuant to Section 116(6) of the Act
EGM	:	Extraordinary general meeting
Entitled Shareholders	:	All the shareholders of NPC (other than the Non-Entitled Shareholders) whose names appear in the Record of Depositors of NPC as at 5:00 p.m. on the Entitlement Date
Entitlement Date	:	The date on which the names of the Entitled Shareholders must be registered in the Record of Depositors of NPC as at 5:00 p.m. for the purposes of determining their entitlement under the Proposed SCR, which shall be determined and announced later by the Non-Interested Directors
FYE	:	Financial year ended or ending, as the case may be
High Court	:	High Court in Sabah and Sarawak
High Court Order	:	An order to be granted by the High Court confirming the reduction of the issued share capital of NPC pursuant to Section 116 of the Act

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**DEFINITIONS (Cont'd)**

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IAL	:	The independent advice letter dated 3 April 2025 from the Independent Adviser to the Non-Interested Directors and Non-Interested Shareholders in relation to the Proposed SCR, as set out in <b>Part B</b> of this Document
Joint Offerors	:	Collectively, Dato' Loo PK and Jubilant
Jubilant	:	Jubilant Ventures Sdn Bhd (Registration No. 200001008224 (510830-V)). For information purposes, Jubilant is 99.99% held by Dato' Loo PK as at LPD
KL Plantation Index	:	Kuala Lumpur Plantation Index
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	28 March 2025, being the latest practicable date prior to the date of this Document
Market Day	:	A day on which Bursa Securities is open for trading in securities
NA	:	Net assets
Non-Entitled Shareholders	:	Collectively, the Joint Offerors and Arthur Loo
Non-Interested Directors	:	Directors of NPC other than Dato' Loo PK
Non-Interested Shareholders	:	All the shareholders of NPC other than the Non-Entitled Shareholders and the persons acting in concert with the Joint Offerors
NPC or Company	:	NPC Resources Berhad (Registration No. 199901027413 (502313-P))
NPC Group or Group	:	Collectively, NPC and its subsidiaries
NPC Share(s) or Share(s)	:	Ordinary share(s) in NPC
Official List	:	A list specifying all securities listed on Bursa Securities
Option(s)	:	The option(s) to acquire the Option Shares by Dato' Loo PK from the Option Writers or sell the Option Shares by the Option Writers to Dato' Loo PK pursuant to the Option Agreements, further details of which are set out in <b>Section 2.1 of Part A</b> of this Document
Option Agreements	:	The put-and-call options agreements all dated 19 April 2024 entered into between Dato' Loo PK and the Option Writers in respect of the exercise of the Option Shares, further details of which are set out in <b>Section 2.1 of Part A</b> of this Document
Option Price	:	The respective step-up put-and-call option exercise prices of between RM2.70 and RM2.82 per Option Share prescribed in the Option Agreements, further details of which are set out in <b>Section 2.1 of Part A</b> of this Document
Option Shares	:	The 33,072,844 NPC Shares held by the Option Writers being the subject of the Option Agreements

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**DEFINITIONS (Cont'd)**

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Option Writers	: Collectively: <ul style="list-style-type: none"><li>(i) Tan Sri Dato' Sri Koh Kin Lip, JP;</li><li>(ii) Rickoh Corporation Sdn Bhd;</li><li>(iii) Koh Se Gay;</li><li>(iv) Junior Koh Siew Hui;</li><li>(v) Koh Siew Kong;</li><li>(vi) Koh Siew Boon;</li><li>(vii) Mutual Yield Sdn Bhd;</li><li>(viii) Lai Ming Chun @ Lai Poh Lin; and</li><li>(ix) Lai Tan Kiong</li></ul>
PAC(s)	: Person(s) acting in concert with the Joint Offerors in relation to the Proposed SCR pursuant to subsections 216(2) and 216(3) of the CMSA. As at LPD, Arthur Loo is the only PAC pursuant to paragraphs 216(3)(b) and (h) of the CMSA
PBR	: Price-to-book ratio
Possible Proposal LTD	: 8 January 2025, being the last full trading day prior to the release and announcement of the receipt of the Press Notice
Press Notice	: The press notice dated 9 January 2025 made by the Joint Offerors, informing NPC that they are in exploratory discussions for a possible proposal which may lead to the privatisation of NPC at RM2.82 per NPC Share, and that if the proposal materialises, the price in which NPC will be privatised will not be lower than RM2.82 per NPC Share
Proposed Bonus Issue	: Proposed bonus issue of up to 92,262,691 new NPC Shares to be issued as fully paid-up on the basis of 1.82 Bonus Shares for every one (1) existing NPC Share held by the Entitled Shareholders by way of capitalising up to RM92,262,691 from the retained profits of NPC, which is implemented solely for the purposes of facilitating the implementation of the Proposed SCR and shall form an integral part of the Proposed SCR
Proposed SCR	: Proposed selective capital reduction and repayment exercise pursuant to Section 116 of the Act to be undertaken by NPC
Public Spread Requirement	: Requirement under Paragraph 8.02(1) of the Listing Requirements which stipulates that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders to ensure its continued listing on the Main Market of Bursa Securities
Record of Depositors	: A record of depositors established by Bursa Depository under the Rules of Bursa Depository
RPGT	: Real property gains tax
Rules	: Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC
Rules of Bursa Depository	: Rules of Bursa Depository issued pursuant to the Securities Industry (Central Depositories) Act 1991 of Malaysia
SC	: Securities Commission Malaysia
SCR LTD	: 6 February 2025, being the last full trading date prior to the serving of the SCR Offer Letter
SCR Offer Letter	: The offer letter dated 7 February 2025 from the Joint Offerors requesting NPC to undertake the Proposed SCR

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## **DEFINITIONS (Cont'd)**

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- SCR Offer Price : RM2.82 per NPC Share, being the cash consideration to be paid for each NPC Share held by the Entitled Shareholders on the Entitlement Date pursuant to the Proposed SCR
- Special Resolution : The special resolution in respect of the Proposed SCR (including the Proposed Bonus Issue which will be undertaken as part of and in connection with the Proposed SCR) to be tabled at the forthcoming EGM which, pursuant to subparagraph 2(f) of Schedule 3 of the Rules:
- (i) must be approved by a majority in number of Non-Interested Shareholders and at least 75% in value to the votes attached to the disinterested NPC Shares that are cast either in person or by proxy at the forthcoming EGM; and
  - (ii) the value of the votes cast against the Special Resolution for the Proposed SCR at the forthcoming EGM is not more than 10% of the votes attached to all the disinterested NPC Shares
- VWAP : Volume weighted average market price

### **Currency**

- IDR : Indonesian Rupiah, being the lawful currency of Indonesia
- RM and sen : Ringgit Malaysia and sen, respectively, being the lawful currency of Malaysia

References to “**our Company**” in this Document are to NPC and references to “**our Group**” are to our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” in this Document are to our Company and where the context otherwise requires, shall include our subsidiaries. All references to “**you**” in this Document are to our shareholders.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Document to the provisions of any statute, rules, regulation, enactment or rules of stock exchange shall (where the context admits) be construed as a reference to the provisions of such statute, rules, regulation, enactment or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactments to the statute, rules, regulation, enactment or rules of stock exchange for the time being in force.

Any reference to a time of day and date in this Document shall be a reference to Malaysian time of day and date respectively, unless otherwise specified.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by our Company, such as in the quarterly results or annual reports of our Company (as the case may be), is due to rounding.

Certain statements in this Document may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Document should not be regarded as a representation or warranty that our Company’s and/or our Group’s plans and objectives will be achieved.

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**PART A**

**CIRCULAR TO OUR SHAREHOLDERS IN RELATION TO  
THE PROPOSED SCR**



# NPC RESOURCES BERHAD

Registration No. 199901027413 (502313-P)  
(Incorporated in Malaysia)

## Registered Office

Lot 9, T3, Taman Tshun Ngen  
Mile 5, Jalan Labuk  
90000 Sandakan, Sabah  
Malaysia

3 April 2025

## Board of Directors

Mr. Lim Ted Hing (*Non-Independent Non-Executive Chairman*)  
Dato' Loo Pang Kee (*Group Managing Director*)  
Dato' Ooi Sek Min (*Independent Non-Executive Director*)  
Hajah Shakinur Ain Binti Hj Karama (*Independent Non-Executive Director*)  
Datuk Goh Giok Yee (*Independent Non-Executive Director*)  
Chai Chih Kai (*Executive Director*)

## To: Our shareholders

Dear Sir/Madam,

## **PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF NPC PURSUANT TO SECTION 116 OF THE ACT**

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### 1. INTRODUCTION

On 9 January 2025, in view of the then movement in the share price of our Company, the Joint Offerors had pursuant to subparagraphs 9.05(2)(a) and 9.07(1) of the Rules, informed our Company that they were in exploratory discussions for a possible proposal which may lead to the privatisation of our Company at RM2.82 per NPC Share vide the Press Notice. The Joint Offerors also indicated vide the Press Notice that if the proposal materialises, the price in which our Company will be privatised will not be lower than RM2.82 per NPC Share. In accordance with subparagraph 9.06(2)(b) of the Rules, an announcement of the same has also been made by our Company on the same date.

On 7 February 2025, our Board announced that our Company had on even date received the SCR Offer Letter from the Joint Offerors, informing our Company of their intention to privatise our Company by way of a selective capital reduction and repayment exercise pursuant to Section 116 of the Act and requesting us to undertake the Proposed SCR.

On 17 February 2025, our Non-Interested Directors had appointed AmlInvestment Bank as the Principal Adviser to our Company for the Proposed SCR. On the same date, in accordance with paragraph 3.06 of the Rules, our Non-Interested Directors had also appointed DWA Advisory as the Independent Adviser to provide comments, opinions, information and recommendation on the Proposed SCR to our Non-Interested Directors and the Non-Interested Shareholders. The IAL is set out in **Part B** of this Document.



On 28 February 2025, on behalf of our Board, AmInvestment Bank announced that our Non-Interested Directors had deliberated on the contents of the SCR Offer Letter after taking into consideration the advice of the Independent Adviser and had resolved to table the Proposed SCR based on the terms of the SCR Offer Letter to all the Non-Interested Shareholders for their consideration and approval.

The SC had, vide its letters dated 28 March 2025, notified that it has no further comments on this Document. However, such notification shall not be taken to suggest that the SC recommends the Proposed SCR or that the SC agrees with the recommendation of our Non-Interested Directors or that the SC assumes responsibility for the correctness of any statement made or opinion or report expressed in this Document.

**THE PURPOSE OF THIS DOCUMENT IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION PERTAINING TO THE PROPOSED SCR, AND TO SEEK THE APPROVAL FOR THE PROPOSED SCR FROM THE NON-INTERESTED SHAREHOLDERS VIA THE SPECIAL RESOLUTION TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED HEREIN.**

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS DOCUMENT BEFORE VOTING ON THE SPECIAL RESOLUTION TO BE TABLED AT OUR FORTHCOMING EGM. YOU SHOULD ALSO CONSIDER CAREFULLY THE RECOMMENDATION OF THE INDEPENDENT ADVISER AS SET OUT IN PART B OF THIS DOCUMENT BEFORE VOTING ON THE SPECIAL RESOLUTION TO BE TABLED AT OUR FORTHCOMING EGM.**

## 2. DETAILS OF THE PROPOSED SCR

### 2.1 Particulars of the Proposed SCR

The Proposed SCR involves our Company undertaking a selective capital reduction and a corresponding capital repayment pursuant to Section 116 of the Act in respect of the NPC Shares held by the Entitled Shareholders on the Entitlement Date.

The Entitled Shareholders will receive a cash amount of RM2.82 for each NPC Share held by them on the Entitlement Date while the Non-Entitled Shareholders will individually and collectively waive their entitlements to the capital repayment pursuant to the Proposed SCR.

As at LPD, the issued share capital of our Company is RM120,000,000 comprising 120,000,000 NPC Shares in issue (including 3,305,900 treasury shares).

As at LPD, the Non-Entitled Shareholders collectively hold 66,000,314 NPC Shares, representing approximately 56.56% of the total NPC Shares in issue (excluding 3,305,900 treasury shares), the details of which are as follows:

	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b><u>Joint Offerors</u></b>				
Jubilant*	36,904,196	31.63	-	-
Dato' Loo PK*	28,408,518	24.34	<sup>(2)</sup> 37,591,796	32.22
	<b>65,312,714</b>	<b>55.97</b>		
<b><u>PAC<sup>^</sup></u></b>				
Arthur Loo	687,600	0.59	-	-
<b>Total</b>	<b>66,000,314</b>	<b>56.56</b>		

**Notes:**

- \* *As at LPD, Dato' Loo PK is a director of Jubilant and holds 99.99% equity interest in Jubilant.*
- ^ *As at LPD, Arthur Loo, who is the son of Dato' Loo PK, is the only PAC pursuant to paragraphs 216(3)(b) and (h) of the CMSA.*
- (1) *Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.*
- (2) *Deemed interested by virtue of his shareholdings in Jubilant pursuant to Section 8(4) of the Act and shareholdings held by his son pursuant to Section 59(11)(c) of the Act.*

As at LPD, the Entitled Shareholders collectively hold 50,693,786 NPC Shares, representing approximately 43.44% of the total NPC Shares in issue (excluding 3,305,900 treasury shares) and will receive a total capital repayment of RM142,956,476.52, representing a cash payment of RM2.82 for each NPC Share held by them on the Entitlement Date.

Premised on the above, the Proposed SCR will result in the reduction of the issued share capital of our Company (excluding all the treasury shares) by RM142,956,476.52. In view that the value of the capital reduction is higher than the existing issued share capital of our Company of RM120,000,000, our Company will undertake a bonus issue of 92,262,691 new NPC Shares to be issued as fully paid-up on the basis of 1.82 Bonus Shares for every one (1) existing NPC Share held by the Entitled Shareholders by way of capitalising RM92,262,691 from the retained profits of our Company, in order to increase the issued share capital of our Company up to a level which is sufficient for the capital reduction for the purpose of facilitating the Proposed SCR.

In this regard, the Non-Entitled Shareholders will also individually and collectively waive their entitlements to the Bonus Shares. Similarly, the treasury shares held by our Company which will not be cancelled upon completion of the Proposed SCR, will not be entitled to the Bonus Shares.

For the avoidance of doubt, immediately after the Proposed Bonus Issue, our Company will undertake a reduction of the issued share capital of our Company of RM142,956,476.52, of which a total of 142,956,477 NPC Shares comprising 50,693,786 existing NPC Shares held by the Entitled Shareholders and all the 92,262,691 Bonus Shares will be cancelled pursuant to the Proposed SCR.

The Bonus Shares will be cancelled immediately upon allotment and will not be credited into the CDS Accounts of the Entitled Shareholders, nor will they be listed on the Official List.

For the avoidance of doubt, the actual number of Bonus Shares to be issued and the resultant NPC Shares to be cancelled under the Proposed SCR will depend on the number of NPC Shares held by the Entitled Shareholders as at the Entitlement Date, which will also depend on the number of Option Shares acquired by Dato' Loo PK in the event any of the Options are exercised during the Put Period at the Put Price of RM2.82 per Option Share ("**Exercise Shares**") (as further detailed below). Upon completion of the Proposed SCR, the Non-Entitled Shareholders will collectively hold 66,000,314 NPC Shares and the Exercise Shares (if any), representing the entire equity interest in our Company.

Further information on the resultant shareholding structure of our Company upon completion of the Proposed SCR is set out in **Section 3** below.

The Joint Offerors and the persons acting in concert with them have not acquired or agreed to acquire any NPC Share at a price higher than the SCR Offer Price during the past three (3) months prior to 9 January 2025, being the date of the Press Notice. In this regard, the SCR Offer Price of RM2.82 per NPC Share complies with subparagraph 6.03(2) of the Rules.

Should the Joint Offerors or any of the persons acting in concert with them acquire any NPC Share at a price higher than the SCR Offer Price during the period commencing from the date of the Press Notice until the completion of the Proposed SCR, the SCR Offer Price will be revised accordingly to the higher price paid by them, pursuant to Note 1 to paragraph 12.03 of the Rules.

As at LPD, save for the SCR Offer Letter, our Company has not received any alternative offer for our Company's securities or any offer to acquire our Company's assets and liabilities.

### **Option Agreements**

For information purposes, Dato' Loo PK had on 19 April 2024 entered into the Option Agreements with the Option Writers in respect of the exercise of the Options (as hereinafter defined) for the 33,072,844 NPC Shares held by the Option Writers, representing approximately 28.34% of the total NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.

The Option Writers and their respective shareholdings in our Company as at LPD, and the number of NPC Shares held by the Option Writers which are the subject of the Option Agreements, are as follows:

	Shareholdings as at LPD				No. of Option Shares
	Direct		Indirect		
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	
Tan Sri Dato' Sri Koh Kin Lip, JP	19,783,344	16.95	<sup>(2)</sup> 2,887,350	2.48	19,783,344
Rickoh Corporation Sdn Bhd	2,817,350	2.42	-	-	2,817,350
Koh Se Gay*	70,000	0.06	-	-	70,000
Junior Koh Siew Hui	2,043,800	1.75	-	-	2,043,700
Koh Siew Kong	38,050	0.03	-	-	38,050
Koh Siew Boon	515,800	0.44	-	-	515,800
Mutual Yield Sdn Bhd	5,452,500	4.67	-	-	5,452,500
Lai Ming Chun @ Lai Poh Lin	2,000,000	1.72	-	-	2,000,000
Lai Tan Kiong	352,100	0.30	-	-	352,100
<b>Total</b>	<b>33,072,944</b>	<b>28.34</b>			<b>33,072,844</b>

#### **Notes:**

\* Koh Se Gay is the daughter of Tan Sri Dato' Sri Koh Kin Lip, JP.

(1) Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.

(2) Deemed interested by virtue of his shareholdings in Rickoh Corporation Sdn Bhd pursuant to Section 8(4) of the Act and shareholdings held by his daughter pursuant to Section 59(11)(c) of the Act.

Through the Option Agreements, Dato' Loo PK holds call options to purchase any quantity of the Option Shares at step-up exercise prices of between RM2.70 and RM2.82 per Option Share ("**Call Price**") based on the applicable pre-specified periods from the date of the Option Agreement up to 15 months therefrom, i.e. until 19 July 2025 (unless mutually agreed to be extended) ("**Call Periods**") ("**Call Option**").

In the event Dato' Loo PK fails to exercise the Call Option to acquire all the Option Shares during the Call Periods, within a period of 14 days from the expiry of the Call Periods (i.e. from 20 July 2025 until 2 August 2025) ("**Put Period**"), the Option Writers have the right to sell the remaining Option Shares to Dato' Loo PK at RM2.82 per Option Share ("**Put Price**") and Dato' Loo PK will be obliged to purchase such remaining Option Shares at the Put Price ("**Put Option**").

Upon the expiry of the Put Period, the Put Option shall no longer be exercisable, whereupon the Option Agreements shall be terminated and be of no further effect.

The Call Price and Put Price are collectively referred to as the “**Option Price**” whilst the Call Option and Put Option are collectively referred to as the “**Options**”.

As consideration for the grant by the Option Writers to Dato’ Loo PK of the Call Option, Dato’ Loo PK had paid a total sum of RM1.50 million to the Option Writers (“**Initial Payments**”). The Initial Payments will constitute part payment for the exercise of the Call Option and/or the Put Option (in proportion to the Options that may be exercised).

For information purposes, none of the Options have been exercised as at LPD.

### **Conditional termination of Option Agreements and refund of the Initial Payments**

In view of the Proposed SCR, Dato’ Loo PK had on 7 February 2025 entered into supplemental agreements with the Option Writers (“**Supplemental Agreements**”) such that upon all approvals for the Proposed SCR as set out in **Section 9** below (“**Approvals**”) being fulfilled, obtained or waived (as the case may be):

- (i) the Option Agreements shall be terminated immediately; and
- (ii) the outstanding Initial Payments shall be fully refunded free of interest.

The Option Writers shall fully refund the outstanding Initial Payments by depositing the same with Dato’ Loo PK’s solicitors as stakeholders within seven (7) working days from the date the Option Writers’ solicitors are informed that the Approvals have been fulfilled, obtained or waived (as the case may be) (“**Refund Period**”). Thereafter, such Initial Payments will be released to Dato’ Loo PK on the Entitlement Date free of any set-off or deduction.

In the event the outstanding Initial Payments are not deposited with Dato’ Loo PK’s solicitors within three (3) working days following the lapse of the Refund Period, Dato’ Loo PK and/or our Company shall be entitled (without prejudice to any other rights or remedies available to Dato’ Loo PK or our Company) to deduct and set-off such Initial Payments from and against the total amount of the SCR Offer Price payable to the Option Writers under the Proposed SCR in respect of the Option Shares (“**Set-Off Arrangement**”).

Under the Supplemental Agreements, the Option Writers and Dato’ Loo PK agreed that, from the date of the Supplemental Agreements up to 30 June 2025 or such later date as the Option Writers and Dato’ Loo PK may mutually agree upon (“**Relevant Period**”), the right to exercise the Options is suspended and such Options shall not be capable of being exercised (“**Suspension**”). It should be noted that the Suspension until 30 June 2025 will only suspend the rights of Dato’ Loo PK from exercising his Call Options.

In the event the Proposed SCR is aborted during the Relevant Period (including if the Proposed SCR is not approved by the Non-Interested Shareholders), the Suspension will be uplifted upon our Company announcing the abortion of the Proposed SCR on Bursa Securities. Upon the expiry or upliftment of the Suspension, Dato’ Loo PK will be allowed to exercise the Call Options to acquire the Option Shares pursuant to the Option Agreements from the Option Writers at the specified Call Price during the remainder of the Call Period, i.e. until 19 July 2025. On the other hand, where the Suspension is not extended to cover the Put Period, the Option Writers will be able to exercise their Put Options to sell the Option Shares to Dato’ Loo PK at the Put Price of RM2.82 per Option Share pursuant to the Options Agreements, and eventually exit their investment in our Company during the Put Period, i.e. from 20 July 2025 until 2 August 2025.

Save for the amendments to the terms of the Option Agreements as effected under the Supplemental Agreements as mentioned above, there is no other change to the terms of the Option Agreements.

With the above refund, the Joint Offerors confirm that there is no arrangement that will result in any favourable treatment to any shareholders of our Company including the Option Writers. Save for the above, the Joint Offerors have no other arrangement with any shareholders of our Company.

In addition, the Joint Offerors and the Option Writers confirm that they do not have any agreement, arrangement, discussion or understanding in relation to the manner in which the Option Writers will cast his/her/its vote for the Proposed SCR at our forthcoming EGM, and that the Option Writers' decision-making rights and processes in relation to the exercise of his/her/its vote for the Proposed SCR is independent and not influenced, directed or conditioned by the Joint Offerors.

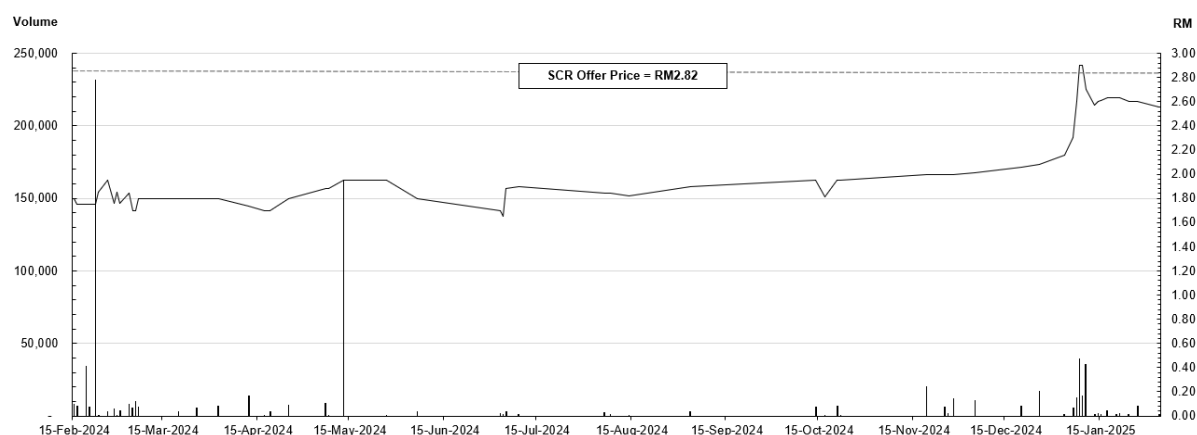
## **2.2 NPC's covenants pursuant to the SCR Offer Letter**

- (i) From the date of our Non-Interested Directors' acceptance of the terms of the SCR Offer Letter until the completion of the Proposed SCR or the earlier termination/abortion of the Proposed SCR, our Company agrees with and undertakes to the Joint Offerors that:
  - (a) save for the financing arrangements to fund the Proposed SCR, our Company will not conduct any other capital or fund-raising exercise, whether in the form of debt or equity and will not grant any option over any NPC Share or issue any new NPC Share;
  - (b) our Group will not enter into any material commitment or material contract or undertake any obligation to acquire or dispose of any of our assets or create a security interest over any of our assets outside the ordinary course of our business, unless it is pursuant to the procurement of funding for the Proposed SCR;
  - (c) our Company will not pass any resolution in general meeting (other than in respect of any usual business tabled in an annual general meeting and the Proposed SCR) or make any alteration to the provisions of the Constitution of our Company or any of our subsidiaries to effect any of the matters set out in items (a) and (b) above; and
  - (d) our Company shall not acquire or resell any of our own Shares pursuant to our Company's share buy-back mandate,without the Joint Offerors' prior written consent.
- (ii) In addition, from the date of our Non-Interested Directors' acceptance of the terms of the SCR Offer Letter until the completion of the Proposed SCR or the earlier termination/abortion of the Proposed SCR, our Company shall not enter into any discussion, negotiation, agreement or arrangement with any other party with respect to the sale or merger of our Company or our subsidiaries' business, assets and liabilities or any privatisation proposal involving our Company or any of our subsidiaries without the Joint Offerors' prior written consent.
- (iii) Further to the above, our Company also undertakes that, from the date of the SCR Offer Letter until the completion of the Proposed SCR or the earlier termination/abortion of the Proposed SCR, we shall, and shall use reasonable endeavours to cause and procure that each of our subsidiaries shall, carry on its business in the usual, regular and ordinary course in substantially the same manner as the same is carried on as of the date of the SCR Offer Letter so as to preserve its relationships with all parties to the end that its goodwill and going concern shall not be materially impaired on the date of the completion of the Proposed SCR or the earlier termination/abortion of the Proposed SCR, save as otherwise agreed in writing by the Joint Offerors.

## 2.3 Basis of arriving at the SCR Offer Price

The SCR Offer Price was arrived after taking into consideration the following:

- (i) the highest Option Price pursuant to the Option Agreements. For information only, the first step-up exercise price of the Option Shares of RM2.70 each ("**Base Exercise Price**") was agreed upon between the Joint Offerors and Option Writers after taking into consideration, among others, the entry cost of most of the Option Writers at RM1.30 per Share, being the price paid during the initial public offering of our Company in March 2002 that was undertaken in conjunction with the listing of our Company on the then Main Board of Kuala Lumpur Stock Exchange (*now known as the Main Market of Bursa Securities*) in May 2002 and the holding period of the said Shares since the listing of our Company until the entry into the Option Agreements (of over 22 years period). The Base Exercise Price also takes into consideration dividends that were previously paid by our Company and adjusted for the effects of the bonus issue exercise implemented by our Company in September 2004. Additionally, to encourage early exercise of the Options, the parties had agreed for the exercise price of the Options to have a progressive step-up mechanism from 1.11% to 4.44% over the Base Exercise Price (i.e. ranging from RM2.73 to a maximum of RM2.82 per Option Share) beginning from the seventh month from the date of the Option Agreements until the expiry of the Options;
- (ii) the movement of the closing market prices and trading volume of NPC Shares over the past 12 months up to the SCR LTD, as depicted below:



(Source: Bloomberg)

- (iii) the closing price and VWAP of NPC Shares up to and including the Possible Proposal LTD as set out below:

	Price	Premium/(discount) based on SCR Offer Price	
		(RM)	(%)
Last trading price as at Possible Proposal LTD	2.9000	(0.0800)	(2.76)
<b><u>Up to and including Possible Proposal LTD:</u></b>			
▪ Five (5)-day VWAP	2.6777	0.1423	5.31
▪ One (1)-month VWAP	2.5021	0.3179	12.71
▪ Three (3)-month VWAP	2.2788	0.5412	23.75
▪ Six (6)-month VWAP	2.2575	0.5625	24.92

(Sources: SCR Offer Letter and Bloomberg)

- (iv) the closing price and VWAPs of NPC Shares up to and including the SCR LTD as set out below:

	Price	Premium based on SCR Offer Price	
	(RM)	(RM)	(%)
Last trading price as at SCR LTD	2.5600	0.2600	10.16
<b>Up to and including SCR LTD:</b>			
▪ Five (5)-day VWAP	2.5600	0.2600	10.16
▪ One (1)-month VWAP	2.7654	0.0546	1.97
▪ Three (3)-month VWAP	2.4776	0.3424	13.82
▪ Six (6)-month VWAP	2.4330	0.3870	15.91

(Sources: SCR Offer Letter and Bloomberg)

and

- (v) the NA per NPC Share and PBR as set out below:

	NA per NPC Share	PBR based on closing price of NPC Shares as at		
		Possible Proposal LTD <sup>(1)</sup>	SCR LTD <sup>(2)</sup>	SCR Offer Price
	(RM)	(times)	(times)	(times)
Audited consolidated NA per NPC Share as at 31 December 2023	4.88	0.59	0.52	0.58
Unaudited consolidated NA per NPC Share as at 30 September 2024	5.05	0.57	0.51	0.56

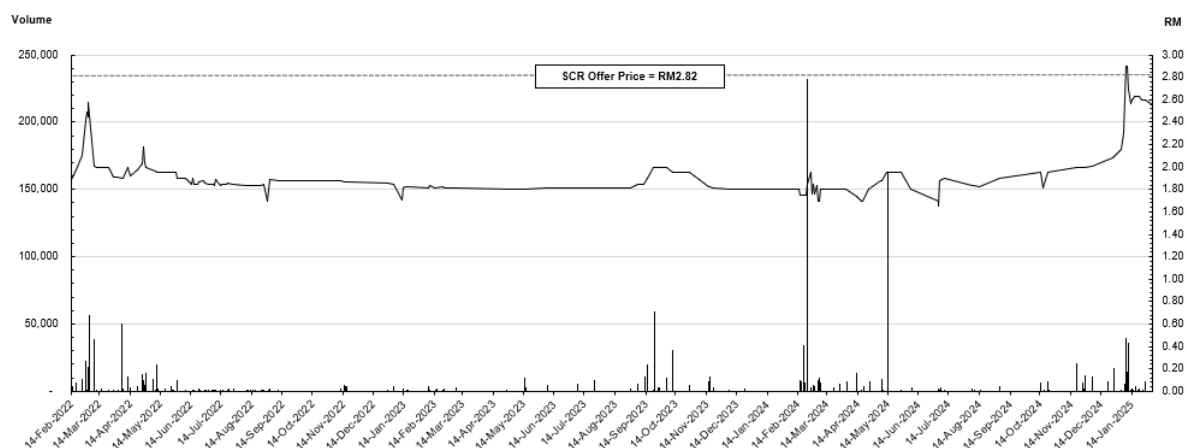
**Notes:**

(1) As at the Possible Proposal LTD, the share price of our Company closed at RM2.9000.

(2) As at the SCR LTD, the share price of our Company closed at RM2.5600.

(Sources: SCR Offer Letter and Bloomberg)

For information purposes only, the movement of the closing market prices and trading volume of NPC Shares over the past three (3) years up to the SCR LTD, are as follows:



(Source: Bloomberg)

Save for the announcement on the receipt of the Press Notice on 9 January 2025, our Company is not aware of any significant event being announced for the past three (3) years up to the SCR LTD which may have impacted the market price of NPC Shares.

Subsequent to the receipt of the SCR Offer Letter, our Company had on 27 February 2025 announced its unaudited interim financial results for the fourth quarter ended 31 December 2024. The NA per NPC Share as at 31 December 2024 and PBR based on the respective closing price of NPC Shares are as follows:

	NA per NPC Share	PBR based on closing price of NPC Shares as at		
		Possible Proposal LTD <sup>(1)</sup>	SCR LTD <sup>(2)</sup>	SCR Offer Price
	(RM)	(times)	(times)	(times)
Unaudited consolidated NA per NPC Share as at 31 December 2024	5.42	0.54	0.47	0.52

**Notes:**

(1) As at the Possible Proposal LTD, the share price of our Company closed at RM2.9000.

(2) As at the SCR LTD, the share price of our Company closed at RM2.5600.

(Sources: Unaudited fourth quarter interim financial results of our Company for the FYE 31 December 2024 and Bloomberg)

## 2.4 Distribution

Should our Company declare, make and/or pay any dividend and/or distribution of any other nature whatsoever (collectively, the “**Distribution**”) on or after the date of the Press Notice up to the Entitlement Date, the SCR Offer Price will be reduced by an amount equivalent to the net Distribution made per NPC Share.

As at LPD, there has been no Distribution declared, made and/or paid by our Company on or after the date of the Press Notice.

## 2.5 Funding

The Proposed SCR will be funded via our Group’s internal funds and/or bank borrowings.

The Joint Offerors and our Board confirm that the Proposed SCR will not fail by reason of insufficient financial capability of our Company, and that every Entitled Shareholder will be paid in full by cash.

AmlInvestment Bank, as the Principal Adviser to our Company for the Proposed SCR, is satisfied and has confirmed that the Proposed SCR will not fail by reason of insufficient financial capability of our Company, and that every Entitled Shareholder will be paid in full by cash.



## 2.6 Listing status of our Company

The Joint Offerors had vide the SCR Offer Letter indicated that they **do not intend to maintain the listing status of our Company on the Main Market of Bursa Securities** upon completion of the Proposed SCR. Accordingly, the Joint Offerors will request our Company to make an application to Bursa Securities pursuant to Paragraph 16.08 of the Listing Requirements to delist our Company and withdraw our listing status from the Official List upon completion of the Proposed SCR.

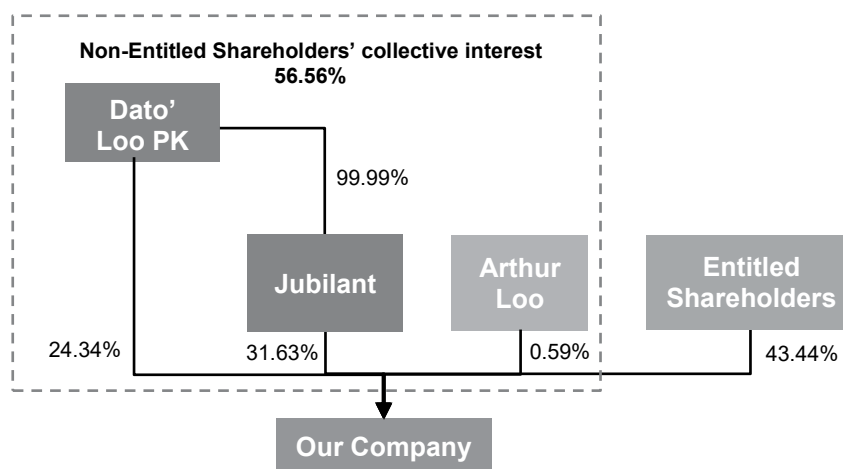
However, in the event the Proposed SCR is unsuccessful and is not implemented due to, among others, failure to fulfil the conditions and/or obtain the approvals for the Proposed SCR as set out in **Section 9** below, our Company may remain listed on the Main Market of Bursa Securities subject to our Company's compliance with the Public Spread Requirement.

For information purposes, our Company is not in compliance with the Public Spread Requirement with only a public shareholding spread level of 11.66% as at LPD. In the event the Proposed SCR is not approved by the Non-Interested Shareholders, the Joint Offerors do not intend to rectify the Public Spread Requirement. In this regard, our Company will remain in a state of non-compliance of the Public Spread Requirement until such time our Company is able to undertake rectification action to raise its public shareholding spread level.

## 3. SHAREHOLDING STRUCTURE

The shareholding structure of our Company before and after the Proposed SCR is set out below:

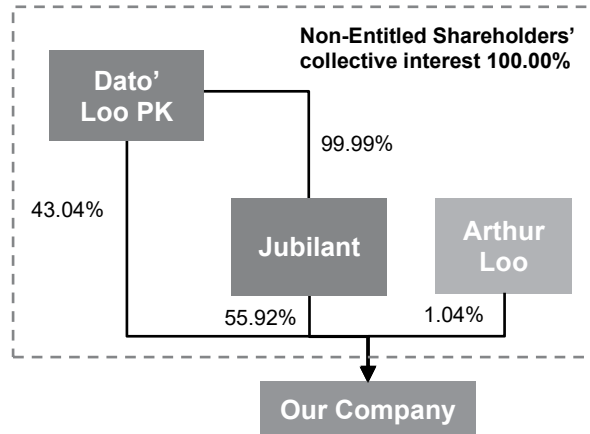
### Before the Proposed SCR (as at LPD)\*



**Note:**

\* Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.

### After the Proposed SCR\*



**Note:**

\* Calculated based on the total number of 66,000,314 NPC Shares held by the Non-Entitled Shareholders representing the entire issued share capital of our Company after the Proposed SCR (excluding 3,305,900 treasury shares). For the avoidance of doubt, the treasury shares held by our Company will not be cancelled upon completion of the Proposed SCR.

#### **4. MODE AND TIMING OF SETTLEMENT**

The settlement of the SCR Offer Price will be effected via electronic remittance to the Entitled Shareholders' eDividend Accounts duly registered with Bursa Depository **within 10 days from the Effective Date**. For the Entitled Shareholders who do not maintain eDividend Accounts, the settlement of the SCR Offer Price will be effected via remittance in the form of cheques, banker's drafts and/or cashier's orders which will be despatched by ordinary mail to the Entitled Shareholders (or their designated agents, as they may direct) at the Entitled Shareholders' registered addresses last maintained with Bursa Depository at their own risk **within 10 days from the Effective Date**.

Other than the Set-Off Arrangement as detailed in **Section 2.1** above and except with the consent of the SC which would only be granted in exceptional circumstances, settlement of the SCR Offer Price to which the Entitled Shareholders are entitled under the Proposed SCR will be implemented in full in accordance with the terms of the Proposed SCR without regard to any lien, right of set-off, counter claim or other analogous rights to which our Company may otherwise be, or claim to be, entitled against the Entitled Shareholders.

Entitled Shareholders who are not residents of Malaysia are advised that the settlement of the SCR Offer Price will be made in Ringgit Malaysia (RM). Such Entitled Shareholders who wish to convert the amount received into foreign currency for repatriation may do so after payment of the appropriate fee and/or charges as levied by the respective licensed financial institutions.

## 5. RATIONALE FOR THE PROPOSED SCR

The rationale for the Proposed SCR is as follows:

### (i) **Greater flexibility in managing our Group's business**

The Proposed SCR is primarily undertaken to provide the Joint Offerors and our Company greater flexibility in managing and developing the existing businesses of our Group. As a private company, our Company will be subject to less public scrutiny, including from shareholders and potential analysts. In this respect, our Company can continue to focus on its core growth initiatives and long-term value creation without the need for frequent market updates that emphasise short-term results and to implement strategies that may require a longer time horizon to fully realise value.

In addition, under a privatised form, our Company is able to undertake corporate exercises in an expedient manner which may otherwise require extensive public disclosures and approvals from shareholders and/or capital market regulators should our Company remain listed on the Main Market of Bursa Securities. This also enables our Company to operate more effectively in the longer term and make decisions without being subjected to the interests and demands of a diverse group of shareholders who may have conflicting views with our own, especially for cases where approval from the Non-Interested Shareholders is required and the Joint Offerors are required to abstain.

### (ii) **Low trading liquidity of our Shares and non-compliance with the Public Spread Requirement**

The trading liquidity of our Shares has been very low, with an average daily trading volume of 6,720 NPC Shares for the past five (5) years up to SCR LTD. (*Source: Bloomberg*)

Furthermore, the public shareholding spread level of our Company as at LPD is only 11.66% and hence our Company is not in compliance with the Public Spread Requirement. Such non-compliance is expected to further strain the trading liquidity of our Shares.

As set out in **Section 2.6** above, **the Joint Offerors do not intend to maintain the listing status of our Company** on the Main Market of Bursa Securities upon completion of the Proposed SCR. Thus, in the event the Proposed SCR is not approved by the Non-Interested Shareholders, the Joint Offerors do not intend to rectify the Public Spread Requirement. In this regard, our Company will remain in a state of non-compliance of the Public Spread Requirement until such time our Company is able to undertake rectification action to raise its public shareholding spread level.

While the non-compliance of the Public Spread Requirement would not automatically result in the delisting of our Company from the Official List, the lack of visibility on the listing status of our Company as there is no immediate rectification plan in place for the Public Spread Requirement may further exacerbate the share overhang situation and stifle investor interest in our Shares. This combined with the Joint Offerors' intention to privatise our Company limit the avenues available for our Company to be able to rectify its ongoing non-compliance with the Public Spread Requirement.

Given such circumstances, the Proposed SCR provides an opportunity for the Entitled Shareholders to immediately exit and realise their investment in our Company at a premium over the prevailing market price of our Shares in light of the low trading liquidity of our Shares.

**(iii) Opportunity for the Entitled Shareholders to immediately realise their investment in our Company**

For information purposes, the Option Writers had approached Dato' Loo PK to consider acquiring their respective shareholdings in our Company, which led to Dato' Loo PK entering into the Option Agreements with them on 19 April 2024 that enables the Option Writers to exit their investment in our Company at a premium over the prevailing market price of NPC Shares. Whilst the Proposed SCR represents a means for the Joint Offerors to seek to acquire the remaining equity interest in our Company not already owned by them, it also enables all the Entitled Shareholders (and not merely a selected group of shareholders, i.e. the Option Writers) to exit and realise their investments in our Company immediately at the SCR Offer Price, being a price which corresponds with the highest end of the Option Price range.

As tabulated in **Sections 2.3(iii) and (iv)** above, the SCR Offer Price of RM2.82 per Share represents a **premium** over the closing price of NPC Shares as at SCR LTD, as well as the five (5)-day, one (1)-month, three (3)-month and six (6)-month VWAP up to and including Possible Proposal LTD and SCR LTD of NPC Shares. It is also worth noting that NPC Shares have not traded at or above the SCR Offer Price between 21 August 2015 until 7 January 2025 (i.e. for more than nine (9) years).

**(iv) Minimal benefit derived from the continued listing status of our Company**

The continued listing status of our Company brings minimal benefit to our Company and our shareholders. Over the past 22 years since we were listed on Bursa Securities in 2002, our Company has not undertaken any fund-raising activities from the capital market. This inactivity underscores the minimal strategic value the listing status brings in terms of fund-raising opportunities to our Company. It is also worth noting that our Company has not declared any dividends to our shareholders since its last dividend payment on 21 August 2018.

Furthermore, our Company has been incurring costs to maintain its listing status on Bursa Securities and to comply with the relevant regulatory requirements as a public listed company. The resources required to maintain the listing status of our Company on Bursa Securities, including the time and efforts of the management of our Company, can be used more effectively and efficiently towards growing the core business of our Group.

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## 6. FUTURE PLANS FOR OUR GROUP AND OUR EMPLOYEES

Our Non-Interested Directors have taken note of the Joint Offerors' intention with respect to our Group's business and employees after the completion of the Proposed SCR, as follows:

### (i) Continuation of our Group's businesses

The Joint Offerors intend to continue and focus on the existing businesses of our Group which is principally involved in the operation of oil palm plantations and palm oil mills, trading of fresh fruit bunches, provision of transportation services, property letting, operation of hotel and provision of management services, and do not currently have any plan and/or intention to liquidate any company within our Group.

As at LPD, the Joint Offerors have not made any arrangements, rationalisation and/or reorganisation of the business operations of our Group.

Nevertheless, the Joint Offerors may from time to time carry out a review of the business and operations of our Group, including its strategy and future business direction, in order to ensure that our Group remains competitive. As part of its review, the Joint Offerors may make such arrangements, rationalisation and reorganisation as they consider suitable to enable our Group to remain competitive and to improve the prospects of our Group as well as undertake any other actions and initiatives which are in the best interest of our Group.

### (ii) No major changes to our Group's businesses

The Joint Offerors do not have any immediate plan to introduce or effect any major changes to the existing core business of our Group, liquidate any operating companies within our Group, dispose of any major assets or undertake any major re-deployment of the fixed assets of our Group upon completion of the Proposed SCR, except where such change, disposal and/or re-deployment is necessary as part of the process to rationalise the business activities and/or direction of our Group or to improve the use of resources of our Group.

For information purposes, as our Group's current liabilities had exceeded its current assets since the FYE 31 December 2018, it has been part of our Group's continued capital management strategy to dispose of certain plantation assets which are less profitable with the aim to reduce our Group's borrowings and outstanding payables. Such approach will also allow our Group to free up and refocus our resources towards accelerating our planting and replanting programmes to develop our remaining unplanted oil palm plantation in Indonesia and Sabah which our Company expects to contribute positively to our Group's future performance, thereby improving the cash flow position of our Group. In this regard, the Joint Offerors intend to continue to identify opportunities to implement this strategic intent upon completion of the Proposed SCR.

Save for those disclosed in **Section 12 of Appendix II** of this Document which the disposals of the relevant plantation assets were completed as at LPD, there has been no disposal, definite plan or any discussion for the disposal of the other plantation assets as at LPD.

In addition to the above, the Joint Offerors have not entered into any negotiation, arrangement and/or understanding with any third party with regard to any significant change in our Group's business, assets or shareholding structure as at LPD.

**(iii) Employees of our Group**

The Joint Offerors do not have any plans to dismiss or make redundant any of the existing employees of our Group by way of a retrenchment exercise as a direct consequence of the Proposed SCR.

Nevertheless, there will be continuous constructive measures and assessments undertaken to improve the efficiency of operations and to optimise the human resources of our Group, which may lead to rationalisation of staff employment to improve the overall efficiency of our Group's operations. Such actions, if required, will be carried out in accordance with relevant legislation and the terms of employment of the affected employees.

Our Non-Interested Directors are of the view that the rationale for the Proposed SCR as set out in **Section 5** above and the Joint Offerors' intended future plans for our Group and our employees are in the best interest of our Group.

**7. EFFECTS OF THE PROPOSED SCR**

**7.1 Issued share capital**

The pro forma effects of the Proposed SCR on the issued share capital of our Company are as follows:

	<b>No. of Shares</b>	<b>RM</b>
Issued share capital as at LPD <sup>(1)</sup>	120,000,000	120,000,000
<i>Add</i> : Bonus Shares to be issued pursuant to the Proposed Bonus Issue <sup>(2)</sup>	92,262,691	92,262,691
<i>Less</i> : Cancellation of NPC Shares held by the Entitled Shareholders pursuant to the Proposed SCR <sup>(3)</sup>	(142,956,477)	(142,956,477)
<b>Resultant issued share capital of our Company after the Proposed SCR</b>	<b>69,306,214</b>	<b>69,306,214</b>

**Notes:**

- (1) Including 3,305,900 treasury shares held by our Company as at LPD. For the avoidance of doubt, the treasury shares held by our Company will not be cancelled upon completion of the Proposed SCR.
- (2) The Proposed Bonus Issue will be undertaken to facilitate the implementation of the Proposed SCR. The Bonus Shares will be cancelled immediately upon allotment and will not be credited into the CDS Accounts of the Entitled Shareholders, nor will they be listed on the Official List.
- (3) Calculated based on the total number of 50,693,786 NPC Shares held by the Entitled Shareholders as at LPD multiplied with the SCR Offer Price of RM2.82 each, which amounts to a total cash payment of RM142,956,476.52.

## 7.2 Substantial shareholders' shareholdings

The pro forma effects of the Proposed SCR on the shareholdings of the substantial shareholders of our Company as at LPD are as follows:

	As at LPD			After the Proposed SCR		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(2)</sup>
Jubilant	36,904,196	31.63	-	-	36,904,196	55.92
Dato' Loo PK	28,408,518	24.34	<sup>(3)</sup> 37,591,796	32.22	28,408,518	43.04
Tan Sri Dato' Sri Koh Kin Lip, JP	19,783,344	16.95	<sup>(4)</sup> 2,887,350	2.48	-	-
					<sup>(3)</sup> 37,591,796	56.96

### Notes:

- (1) Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.
- (2) Calculated based on the total number of 66,000,314 NPC Shares held by the Non-Entitled Shareholders representing the entire issued share capital of our Company after the Proposed SCR (excluding 3,305,900 treasury shares). For the avoidance of doubt, the treasury shares held by our Company will not be cancelled upon completion of the Proposed SCR.
- (3) Deemed interested by virtue of his shareholdings in Jubilant pursuant to Section 8(4) of the Act and shareholdings held by his son pursuant to Section 59(1)(c) of the Act.
- (4) Deemed interested by virtue of his shareholdings in Rickoh Corporation Sdn Bhd pursuant to Section 8(4) of the Act and shareholdings held by his daughter pursuant to Section 59(1)(c) of the Act.

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### 7.3 NA per Share and gearing

For illustrative purposes only, based on our latest audited consolidated statement of financial position as at 31 December 2023 and on the assumption that the Proposed SCR had been effected on that date, the pro forma effects of the Proposed SCR on the consolidated NA per Share and gearing of our Company are as follows:

	Audited as at 31 December 2023	(I)	(II)
		After subsequent events up to LPD <sup>(4)</sup>	After (I) and the Proposed SCR
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
Share capital	120,000	120,000	69,306
Treasury shares	(7,509)	(7,839)	(7,839)
Asset revaluation reserve	237,792	142,618	142,618
Foreign currency translation reserve	(13,303)	(13,303)	(13,303)
Retained profits	233,238	359,754	<sup>(5)</sup> 265,091
NA/Equity attributable to the owners of our Company	570,218	601,230	455,873
Non-controlling interests	20,656	24,462	24,462
<b>Total equity</b>	<b>590,874</b>	<b>625,692</b>	<b>480,335</b>
No. of Shares in issue (excluding treasury shares) ('000)	116,863	116,694	66,000
NA per Share (RM) <sup>(1)</sup>	4.88	5.15	6.91
Total borrowings (RM'000)	445,690	341,457	<sup>(6)</sup> 484,413
Deposits with licensed banks (RM'000)	9,468	9,468	9,468
Cash and bank balances (RM'000)	12,244	25,459	23,059
Gross gearing ratio (times) <sup>(2)</sup>	0.78	0.57	1.06
Net gearing ratio (times) <sup>(3)</sup>	0.74	0.51	0.99

#### Notes:

- (1) Calculated based on NA over number of NPC Shares in issue (excluding treasury shares).
- (2) Calculated based on total borrowings over equity attributable to the owners of our Company.
- (3) Calculated based on net borrowings (i.e. total borrowings less deposits with licensed banks and cash and bank balances) over equity attributable to the owners of our Company.
- (4) After taking into consideration the following events subsequent to 31 December 2023 and up to LPD:
- (i) share buy-back of 168,700 NPC Shares on 7, 8 and 13 May 2024 at prices ranging from RM1.87 to RM1.95 per NPC Share;
  - (ii) disposal of our entire equity interest in PT Enggang Alam Sawita comprising 1,506,078 ordinary shares to PT Bayan Resources Tbk and PT Bayan Energy at a cash consideration of approximately IDR105.15 billion (which is equivalent to approximately RM30.28 million, i.e. based on the average exchange rate of IDR100: RM0.0288 for the FYE 31 December 2024), which was completed on 30 August 2024 ("**Disposal of PT Enggang Alam Sawita**");
  - (iii) disposal of one (1) unit of double-storey detached house held under title deed no. CL075366728 situated in the District of Sandakan, Sabah, Malaysia to Tang Hee Beng at a cash consideration of RM1.28 million, which was completed on 29 October 2024 ("**Disposal of House**");



- (iv) acquisition of 2/5 undivided share of a parcel of land measuring approximately 1,006 hectares held under title deed no. CL085319277 situated in the District of Beluran, Sabah, Malaysia from Koperasi Kakitangan Perkhidmatan Pelajaran Sabah Berhad at a cash consideration of approximately RM16.01 million, which was completed on 4 December 2024; and
- (v) disposal of the following lands to Sungei Mangis Plantation Sdn Bhd which were completed on 18 December 2024:
- (a) six (6) parcels of agricultural lands by Berkat Setia Sdn Bhd, a wholly-owned subsidiary of our Company for a cash consideration of approximately RM5.53 million;
- (b) three (3) parcels of agricultural lands by Bonus Indah Sdn Bhd, an indirect 70%-owned subsidiary of our Company for a cash consideration of approximately RM108.99 million; and
- (c) four (4) parcels of agricultural lands by Kian Merculaba Sdn Bhd, a wholly-owned subsidiary of our Company for a cash consideration of approximately RM50.59 million,
- (collectively, the “Disposal of Lands to Sungei Mangis”).

(collectively, the “Subsequent Events”).

For information purposes, the details and status of the use of proceeds raised from the abovementioned disposals as at LPD, are as follows:

Disposal of PT Enggang Alam Sawita	Proposed utilisation		Actual utilisation as at LPD	
	IDR'000	#RM'000	IDR'000	#RM'000
New planting of plantation estates in Indonesia	62,724,000	18,065	62,724,000	18,065
General working capital	42,424,815	12,218	42,424,815	12,218
<b>Total gross proceeds</b>	<b>105,148,815</b>	<b>30,283</b>	<b>105,148,815</b>	<b>30,283</b>

# Based on the average exchange rate of IDR100: RM0.0288 for the FYE 31 December 2024.

Disposal of Lands to Sungei Mangis	Proposed utilisation	Actual utilisation as at LPD
	RM'000	RM'000
Repayment of term loan and revolving credits	100,000	*104,233
New planting and replanting of plantation estates	^33,250	^6,162
General working capital	15,261	15,261
RPGT and other incidental costs in relation to the said disposal	16,600	*12,367
<b>Total gross proceeds</b>	<b>165,111</b>	<b>138,023</b>

\* The actual RPGT and other incidental costs incurred in relation to the said disposal was approximately RM12.37 million. As such, the balance of approximately RM4.23 million was used to repay our Group's term loan and revolving credits.

^ As at LPD, our Group has only utilised approximately RM6.16 million for the new planting and replanting of our plantation estates. Our Group intends to fully utilise the remaining RM27.09 million within the 24 months' period following the receipt of the full payment of the said consideration from Sungei Mangis Plantation Sdn Bhd on 18 December 2024.

- (5) After taking into consideration the following:
- (i) capitalisation of approximately RM92.26 million for the Proposed Bonus Issue; and
- (ii) deduction of estimated expenses to be incurred in relation to the Proposed SCR comprising upfront funding fees, professional fees, regulatory fees, cost to convene the EGM and other incidental expenses to be incurred for the Proposed SCR of RM2.40 million.
- (6) The capital repayment under the Proposed SCR will be funded via a combination of internal funds and bank borrowings, the proportion of which has not been determined at this juncture. Nevertheless, for illustrative purpose, it is assumed that the capital repayment under the Proposed SCR of approximately RM142.96 million will be fully funded via bank borrowings.

## 7.4 Earnings per Share (“EPS”)

The Proposed SCR is not expected to have any material effect on the consolidated earnings of our Company for the FYE 31 December 2025, save for the estimated expenses for the Proposed SCR of RM2.40 million and the additional interest cost arising from the bank borrowings to be obtained by our Company to fund the Proposed SCR that will reduce the consolidated earnings of our Company.

Upon completion of the Proposed SCR and as a result of the cancellation of NPC Shares pursuant to the Proposed SCR, the total number of NPC Shares in issue will be reduced and as a result, the consolidated EPS (or loss per Share (“LPS”), as the case may be) of our Company will increase accordingly.

For illustrative purpose only, based on our latest audited consolidated statement of profit or loss and other comprehensive income for the FYE 31 December 2023 and on the assumption that the Proposed SCR had been effected at the beginning of the said financial year, the pro forma effects of the Proposed SCR on the consolidated EPS/LPS of our Company are as follows:

	Audited FYE 31 December 2023	(I)	(II)
		After Subsequent Events up to LPD	After (I) and the Proposed SCR
Consolidated profit/(loss) attributable to owners of our Company (RM'000)	9,582	<sup>(1)</sup> 5,432	<sup>(2)</sup> (5,460)
Weighted average number of Shares in issue (excluding treasury shares) ('000)	116,863	116,694	66,000
Basic and diluted EPS/(LPS) (sen)	8.20	4.65	(8.27)

### Notes:

- (1) *After taking into consideration the net loss of approximately RM4.15 million arising from the Disposal of PT Enggang Alam Sawita, Disposal of House and Disposal of Lands to Sungei Mangis (collectively, the “Disposals”). This includes the expected RPGT and estimated expenses in relation to the Disposals, and after taking into consideration the non-controlling interests arising from the Disposals.*
- (2) *After taking into consideration the following:*
- (i) *deduction of estimated expenses to be incurred in relation to the Proposed SCR comprising upfront funding fees, professional fees, regulatory fees, cost to convene the EGM and other incidental expenses to be incurred for the Proposed SCR of RM2.40 million; and*
  - (ii) *assumption that the total amount required for the capital repayment under the Proposed SCR of approximately RM142.96 million will be fully funded via bank borrowings at the estimated cost of financing of 5.94% per annum. For the avoidance of doubt, the actual proportion of internal funds and bank borrowings which will be used to fund the Proposed SCR has not been determined at this juncture.*

## 7.5 Convertible securities

As at LPD, our Company does not have any convertible securities in issue.

## 8. HISTORICAL SHARE PRICES

The highest and lowest closing market prices of our Shares for each month and the closing market price of our Shares as at the last Market Day of each month, as traded on the Main Market of Bursa Securities, for the six (6) months prior to the receipt of the Press Notice by our Company and up to LPD are as follows:

Month	Highest	Lowest	Closing price on the last Market Day of the month
	(RM)	(RM)	(RM)
<b>2024</b>			
July (from and including 9 July 2024)	1.900	1.900	1.900
August	1.840	1.820	1.820
September	1.900	1.900	1.900
October	1.950	1.810	1.950
November	2.000	2.000	2.000
December	2.080	2.010	2.080
<b>2025</b>			
January	*2.900	2.160	2.600
February	2.820	2.560	2.820
March (up to LPD)	2.760	2.650	2.660
Last transacted market price of NPC Shares as at Possible Proposal LTD			RM2.900
Last transacted market price of NPC Shares as at SCR LTD			RM2.560
Last transacted market price of NPC Shares on 25 February 2024 ( <i>being the last trading day prior to the announcement made pursuant to our Non-Interested Directors' deliberation on the Proposed SCR</i> )			RM2.820
Last transacted market price of NPC Shares as at LPD			RM2.660

(Source: Bloomberg)

**Note:**

\* Our Company and the Joint Offerors are not able to identify the reason for the sudden spike in the market price of our Shares.

During the six (6) months prior to the receipt of the Press Notice by our Company and up to LPD:

- (i) the highest closing price of NPC Shares was RM2.900, which was transacted on 8 and 9 January 2025; and
- (ii) the lowest closing price of NPC Shares was RM1.810, which was transacted on 17 October 2024.

## **9. CONDITIONS OF THE PROPOSED SCR**

The Proposed SCR is subject to and conditional upon the following being obtained:

- (i) approval of the Non-Interested Shareholders for the Proposed SCR via the Special Resolution;
- (ii) the grant of the High Court Order giving effect to the Proposed SCR, followed by the lodgement of an office copy of the High Court Order with the Registrar of Companies; and
- (iii) approval and/or consent of the existing financiers and/or creditors of our Group, if required.

The Proposed Bonus Issue, which is implemented solely for the purposes of facilitating the implementation of the Proposed SCR, shall form an integral part of the Proposed SCR. Hence, the Non-Interested Shareholders will need to consider and if thought fit approve the Proposed Bonus Issue as part of the resolution for the Proposed SCR at our forthcoming EGM.

The Proposed SCR will become effective upon lodgement of an office copy of the High Court Order with the Registrar of Companies pursuant to Section 116(6) of the Act. In this respect, the Proposed SCR shall be binding on all Entitled Shareholders.

Save for the above, the Proposed SCR is not conditional upon any other corporate exercise undertaken or to be undertaken by our Company.

## **10. OUTSTANDING PROPOSALS ANNOUNCED BUT PENDING COMPLETION**

Save for the Proposed SCR (which includes the Proposed Bonus Issue), there is no other corporate proposal which has been announced by our Company but is pending completion as at LPD.

## **11. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVES AND/OR PERSONS CONNECTED WITH THEM**

Dato' Loo PK, being one of the Joint Offerors, is the Group Managing Director and major shareholder of our Company. He is also a director and major shareholder of Jubilant (i.e. the other Joint Offeror). As such, Dato' Loo PK is deemed interested in the Proposed SCR.

Jubilant, being one of the Joint Offerors, is also a major shareholder of our Company and is deemed interested in the Proposed SCR.

Accordingly, Dato' Loo PK has abstained and will continue to abstain from all deliberations and voting on the Proposed SCR (including the Proposed Bonus Issue) at the relevant Board meetings. Dato' Loo PK and Jubilant will also abstain from voting in respect of their direct and/or indirect interests in our Company on the Special Resolution to be tabled at our forthcoming EGM in respect of the Proposed SCR (including the Proposed Bonus Issue which will be undertaken as part of and in connection with the Proposed SCR). They will also ensure that persons connected with them (including Arthur Loo) will abstain from voting in respect of their direct and/or indirect interest in our Company, if any, on the Special Resolution to be tabled at our forthcoming EGM.

As at LPD, the direct and indirect interests of Dato' Loo PK, Jubilant and Arthur Loo in our Company are as follows:

	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b><u>Interested director and/or major shareholders</u></b>				
Dato' Loo PK*	28,408,518	24.34	<sup>(2)</sup> 37,591,796	32.22
Jubilant*	36,904,196	31.63	-	-
<b><u>Person connected with the interested director and major shareholders</u></b>				
Arthur Loo <sup>^</sup>	687,600	0.59	-	-

**Notes:**

- \* As at LPD, Dato' Loo PK is a director of Jubilant and holds 99.99% equity interest in Jubilant.
- <sup>^</sup> As at LPD, Arthur Loo, who is the son of Dato' Loo PK, is the only PAC pursuant to paragraphs 216(3)(b) and (h) of the CMSA.
- (1) Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.
- (2) Deemed interested by virtue of his shareholdings in Jubilant pursuant to Section 8(4) of the Act and shareholdings held by his son pursuant to Section 59(11)(c) of the Act.

Save as disclosed above, none of the directors, major shareholders and/or chief executives of our Company and/or persons connected with them have any interest, direct or indirect, in the Proposed SCR other than their respective entitlements as Entitled Shareholders under the Proposed SCR which is also similarly available to all the other Entitled Shareholders.

## 12. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the fulfilment of the conditions of the Proposed SCR as set out in **Section 9** above, the Proposed SCR is expected to be completed in the second quarter of calendar year 2025.

The tentative timetable for the implementation of the Proposed SCR is as follows:

Date	Event <sup>(1)</sup>
25 April 2025	<ul style="list-style-type: none"> <li>▪ EGM for the Proposed SCR</li> </ul>
End April 2025	<ul style="list-style-type: none"> <li>▪ Filing of application to seek the High Court's confirmation for the reduction of the share capital of our Company under Section 116 of the Act</li> </ul>
End May 2025	<ul style="list-style-type: none"> <li>▪ Expected receipt of the High Court Order and announcement thereto</li> <li>▪ Announcement of the Entitlement Date</li> <li>▪ Announcement of notice of suspension in relation to the trading of NPC Shares</li> </ul>
Mid June 2025	<ul style="list-style-type: none"> <li>▪ Entitlement Date <sup>(2)</sup></li> <li>▪ Lodgement of an office copy of the High Court Order with the Registrar of Companies</li> </ul>
End June 2025	<ul style="list-style-type: none"> <li>▪ Cash payment to the Entitled Shareholders at the SCR Offer Price</li> <li>▪ Completion of the Proposed SCR</li> </ul>
Early July 2025	<ul style="list-style-type: none"> <li>▪ Delisting of our Company from the Official List</li> </ul>

**Notes:**

- (1) *This timetable is indicative and the actual timing will depend on, among others, the date on which the High Court grants the High Court Order pursuant to Section 116 of the Act. If any of the events are changed or delayed, the subsequent events will be adjusted accordingly.*
- (2) *The trading of NPC Shares on the Main Market of Bursa Securities will be suspended three (3) clear Market Days prior to the Entitlement Date.*

**13. INDEPENDENT ADVISER**

In accordance with paragraph 3.06 of the Rules, our Non-Interested Directors had on 17 February 2025 appointed DWA Advisory as the Independent Adviser to provide comments, opinions, information and recommendation on the Proposed SCR to our Non-Interested Directors and the Non-Interested Shareholders. DWA Advisory had on 20 February 2025, declared their independence to the SC as the Independent Adviser in relation to the Proposed SCR.

Please refer to **Part B** of this Document for the IAL in relation to the Proposed SCR. The Non-Interested Shareholders are advised to read and carefully consider the contents of the IAL before voting on the Special Resolution at our forthcoming EGM.

**14. DIRECTORS' RECOMMENDATION**

Our Non-Interested Directors, having considered all aspects of the Proposed SCR, in particular:

- (i) the rationale for the Proposed SCR as set out in **Section 5** above;
- (ii) the advice of the Independent Adviser that the Proposed SCR is **not fair** but **reasonable**; and
- (iii) the Independent Adviser's recommendation for the Non-Interested Shareholders to vote in favour of the Special Resolution,

are of the opinion that the Proposed SCR is in the best interest of the Non-Interested Shareholders.

Our Non-Interested Directors concur with the evaluation and recommendation of the Independent Adviser and accordingly, recommend that the Non-Interested Shareholders **VOTE IN FAVOUR** of the Special Resolution at our forthcoming EGM.

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**15. EGM**

The EGM, the notice of which is enclosed in this Document, will be held physically at Gold Room, Ground Floor, The Palace Hotel, No. 1, Jalan Tangki, Karamunsing, 88100 Kota Kinabalu, Sabah on Friday, 25 April 2025 at 11:00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the Special Resolution to give effect to the Proposed SCR.

If you decide to appoint a proxy or proxies to participate and vote on your behalf at our forthcoming EGM, please complete and deposit the enclosed Form of Proxy in accordance with the instructions therein, so as to arrive at our Registered Office at Lot 9, T3, Taman Tshun Ngen, Mile 5, Jalan Labuk, 90000 Sandakan, Sabah, Malaysia not less than 24 hours before the time set for holding the EGM or at any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so and if you do, your proxy shall be precluded from attending the EGM.

**16. FURTHER INFORMATION**

You are also advised to refer to the attached appendices which form part of this Document, for further information.

Yours faithfully  
For and on behalf of the Board of  
**NPC RESOURCES BERHAD**

**DATUK GOH GIOK YEE**  
Independent Non-Executive Director

**PART B**

**INDEPENDENT ADVICE LETTER FROM DWA ADVISORY  
TO THE NON-INTERESTED DIRECTORS AND NON-INTERESTED  
SHAREHOLDERS IN RELATION TO THE PROPOSED SCR**



## EXECUTIVE SUMMARY

*All definitions used in this Executive Summary shall have the same meaning as the words and expressions defined in the “Definitions” section in Part A of the Circular, except where the context otherwise requires or where otherwise defined in this IAL. All references to “we”, “us” or “our” are references to DWA Advisory, being the Independent Adviser in relation to the Proposed SCR.*

The purpose of this IAL is to provide the Non-Interested Directors and Entitled Shareholders with our independent evaluation on the Proposed SCR, together with our recommendation on whether the Entitled Shareholders should vote in favour of or against the Special Resolution at the forthcoming EGM in relation to the Proposed SCR, subject to the scope of our role and limitations specified in Section 3 of this IAL.

This Executive Summary highlights only the pertinent information of the Proposed SCR. You are advised to read and understand this IAL in its entirety, together with the Circular, including the accompanying annexure and appendices for other relevant information. You should not rely solely on this Executive Summary before forming an opinion on the Proposed SCR. You are also advised to carefully consider the recommendations contained in both this IAL and the Circular before voting on the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM.

If you are in doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

### 1. INTRODUCTION

On 9 January 2025, in view of the then movement in share price of the Company, the Joint Offerors had pursuant to subparagraphs 9.05(2)(a) and 9.07(1) of the Rules, informed the Company that they were in exploratory discussions for a possible proposal which may lead to the privatisation of the Company at RM2.82 per NPC Share vide the Press Notice. The Joint Offerors also indicated vide the Press Notice that if the proposal materialises, the price in which the Company will be privatised will not be lower than RM2.82 per NPC Share. In accordance with subparagraph 9.06(2)(b) of the Rules, an announcement of the same has also been made by the Company on the same.

On 7 February 2025, the Board announced that the Company had on even date received the SCR Offer Letter from the Joint Offerors, informing the Company of their intention to privatise the Company by way of a selective capital reduction and repayment exercise pursuant to Section 116 of the Act and requesting the Company to undertake the Proposed SCR.

On 17 February 2025, the Non-Interested Directors had appointed AmInvestment Bank as the Principal Adviser to the Company for the Proposed SCR. On the same date, in accordance with paragraph 3.06 of the Rules, the Non-Interested Directors had also appointed DWA Advisory as the Independent Adviser to provide comments, opinions, information and recommendation on the Proposed SCR to the Non-Interested Directors and the Non-Interested Shareholders.

On 28 February 2025, on behalf of the Board, AmInvestment Bank announced that the Non-Interested Directors had deliberated on the contents of the SCR Offer Letter after taking into consideration the advice of the Independent Adviser and had resolved to table the Proposed SCR based on the terms of the SCR Offer Letter to all the Non-Interested Shareholders for their consideration and approval.

The SC had, vide its letter dated 28 March 2025, notified that it has no further comments on this IAL. However, such notification shall not be taken to suggest that the SC recommends the Proposed SCR or that the SC agrees with the recommendation contained herein assumes responsibility for the correctness of any statement made or opinion or report expressed in this IAL.

The purpose of this IAL is to provide you with an independent evaluation on the Proposed SCR together with our recommendation on whether the Entitled Shareholders should vote in favour or against the Special Resolution in relation to the Proposed SCR at the forthcoming EGM, subject to the scope of our role and evaluation specified herein.

Please refer to **Section 2 of Part A** of the Circular for further details of the Proposed SCR.

## **2. EVALUATION OF THE PROPOSED SCR**

In arriving at our conclusion and recommendation in respect of the Proposed SCR, we have assessed the fairness and reasonableness of the Proposed SCR in accordance with Paragraphs 1 to 7 of Schedule 2: Part III of the Rules, whereby:

- (i) the term **“fair and reasonable”** should generally be analysed as two distinct criteria, i.e. whether the Proposed SCR is **“fair”** and whether the Proposed SCR is **“reasonable”**, rather than as a composite term;
- (ii) the Proposed SCR is considered as **“fair”** if the SCR Offer Price is equal to or higher than the market price and is also equal to or higher than the value of the NPC Shares. However, if the SCR Offer Price is equal to or higher than the market price but is lower than the value of the NPC Shares, the Proposed SCR is considered as **“not fair”**. In making the assessment, the value of the NPC Shares is determined based on the assumption that 100% of the issued share capital of NPC is being acquired; and
- (iii) in considering whether a Proposed SCR is **“reasonable”**, we have taken into consideration matters other than the valuation of the NPC Shares. Generally, the Proposed SCR would be considered **“reasonable”** if it is **“fair”**. Nevertheless, the Independent Adviser may also recommend for Entitled Shareholders to vote in favour of the Special Resolution despite it being **“not fair”**, if the Independent Adviser is of the view that there are sufficiently strong reasons to vote in favour of the Special Resolution in the absence of a higher bid and such reasons should be clearly explained; and
- (iv) in the event the Independent Adviser concludes that the Proposed SCR is **“not fair but reasonable”**, the Independent Adviser must clearly explain the following:
  - (a) what is meant by **“not fair but reasonable”**;
  - (b) how has the Independent Adviser reached this conclusion; and
  - (c) the course of action that the Entitled Shareholders are recommended to take pursuant to the conclusion.

**2.1 Fairness of the Proposed SCR**

In arriving at the fairness of the Proposed SCR, we have considered factors as stated in the table below:

Reference in this IAL / Consideration factors	Our evaluation																		
<p><b>Section 5.1</b></p> <p>Valuation of NPC Shares</p>	<p>Based on the unaudited NA of NPC Group as at 31 December 2024 and after considering the market values of the material properties (“<b>Subject Properties</b>”), the estimated revalued NA value (“<b>RNAV</b>”) of NPC Group is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">(RM'000)</th> </tr> </thead> <tbody> <tr> <td>Unaudited NA of NPC Group as at 31 December 2024</td> <td style="text-align: right;">633,025</td> </tr> <tr> <td>Less: Carrying value of biological assets</td> <td style="text-align: right;">(6,516)</td> </tr> <tr> <td>Add: Net revaluation surplus of the Subject Properties</td> <td style="text-align: right;">128,371</td> </tr> <tr> <td><b>RNAV</b></td> <td style="text-align: right;"><b>754,880</b></td> </tr> <tr> <td>No. of issued NPC Shares as at LPD (excluding treasury shares) ('000)</td> <td style="text-align: right;">116,694</td> </tr> <tr> <td>RNAV per NPC Share (RM)</td> <td style="text-align: right;">6.47</td> </tr> <tr> <td>SCR Offer Price (RM)</td> <td style="text-align: right;">2.82</td> </tr> <tr> <td>Discount of the SCR Offer Price to the RNAV (RM)/(%)</td> <td style="text-align: right;">3.65 / 56.41</td> </tr> </tbody> </table> <p>The RNAV of the NPC Shares is based on prevailing economic, market and other conditions as well as information provided by NPC’s management up to the LPD.</p> <p>The Entitled Shareholders should also note that the majority of the estimated RNAV per NPC Share consist of plantation estates (which represent approximately 90.33% of the Group’s total revalued asset as at the LPD) and any sale of the land and buildings held by the Group may be protracted depending on the property market condition at the time and NPC Group may not be able to realise its assets at their full values. In the event of liquidation, the realisation of the properties’ value is expected to be undertaken in an orderly manner and may not be immediate.</p>		(RM'000)	Unaudited NA of NPC Group as at 31 December 2024	633,025	Less: Carrying value of biological assets	(6,516)	Add: Net revaluation surplus of the Subject Properties	128,371	<b>RNAV</b>	<b>754,880</b>	No. of issued NPC Shares as at LPD (excluding treasury shares) ('000)	116,694	RNAV per NPC Share (RM)	6.47	SCR Offer Price (RM)	2.82	Discount of the SCR Offer Price to the RNAV (RM)/(%)	3.65 / 56.41
	(RM'000)																		
Unaudited NA of NPC Group as at 31 December 2024	633,025																		
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RNAV per NPC Share (RM)	6.47																		
SCR Offer Price (RM)	2.82																		
Discount of the SCR Offer Price to the RNAV (RM)/(%)	3.65 / 56.41																		

In view of the above, we are of the view that the Proposed SCR is **NOT FAIR** as the SCR Offer Price represents:

- (i) a **discount of 56.41%** to the estimated fair value of NPC Shares of RM6.47 per Share; and
- (ii) a **discount of 47.97%** to the unaudited consolidated NA of RM5.42 per Share as at 31 December 2024.

## EXECUTIVE SUMMARY (Cont'd)

For information purposes, the unaudited consolidated NA of the Group as at 31 December 2024 is RM5.42 per NPC Share which represents a price-to-book ratio (“PBR”) of 0.52 times based on the SCR Offer Price.

Please refer to **Section 6** of this IAL for further details of the valuation of NPC Shares.

### 2.2 Reasonableness of the Proposed SCR

In assessing the reasonableness of the Proposed SCR, we have considered factors as stated in the table below:

Reference in this IAL / Consideration factors	Our evaluation
<b>Section 6.1</b> Historical market prices of NPC Shares	Save for the highest traded market price of NPC Shares of RM2.90 recorded on 8 January 2025, NPC Shares have not traded above the SCR Offer Price for the past one (1) year prior to and including the Possible Proposal LTD.  SCR Offer Price represents:  (i) a <b>premium of between 5.31% and 24.92%</b> over the 5-day, 1-month, 3-month and 6-month VWAP of NPC Shares up to and including the Possible Proposal LTD;  (ii) a <b>premium of between 1.97% and 15.91%</b> over the 5-day, 1-month, 3-month and 6-month VWAP of NPC Shares up to and including the SCR LTD; and  (iii) a <b>premium of 6.02%</b> over the 5-day VWAP of NPC Share up to the LPD.
<b>Section 6.2</b> Historical trading liquidity of NPC Shares	The trading volume of NPC Shares was <b>relatively illiquid</b> whereby its trading liquidity based on the average historical monthly volume traded for the past twelve (12) months up to the Possible Proposal LTD of 0.06% was significantly lower than the average monthly traded volume over the free float of the KL Plantation Index of 5.90%. As such, the Entitled Shareholders may have limited opportunity to realise his/ her investment in NPC Shares in the open market.
<b>Section 6.3</b> Level of control of the Non-Entitled Shareholders	As at the LPD, the Non-Entitled Shareholders hold the equity stake/voting rights of approximately 56.56% (excluding 3,305,900 treasury shares) in NPC. As such, the Non-Entitled Shareholders would still be in a position to exert significant influence over both the ordinary and special resolutions sought at a general meeting of the Company through casting of their votes (unless the Non-Entitled Shareholders are required to abstain from voting). Moreover, the Non-Entitled Shareholders would be able to approve ordinary resolution on their own, as they already hold an equity stake of approximately 56.56% in NPC.

**EXECUTIVE SUMMARY (Cont'd)**

Reference in this IAL / Consideration factors	Our evaluation
	For information purposes, an ordinary resolution requires approval from more than 50.00% of the total votes cast while a special resolution requires approval from at least 75.00% of the total votes cast.
<p><b>Section 6.4</b></p> <p>No alternative proposal</p>	<p>As part of the covenants in the SCR Offer Letter, NPC Group shall not enter any discussion or negotiation, or agreement, with any other party with respect to the sale of the assets and liabilities of the NPC Group or any privatisation proposal involving NPC at any time until the completion without the Joint Offerors' prior written consent. As such, unless the Non-Entitled Shareholders provide their consent, any alternative proposal is unlikely to succeed.</p> <p>As at the LPD, save for the SCR Offer Letter, NPC has not received any alternative offer for the NPC Shares or any offer to acquire the NPC Group's assets and liabilities. In the absence of an alternative proposal, the Proposed SCR presents an opportunity for the Entitled Shareholders to realise their investment in NPC Shares at a premium over the prevailing market price as presented in <b>Section 6.1</b> of this IAL.</p>
<p><b>Section 6.5</b></p> <p>Listing status of NPC and non-compliance with the public shareholding spread requirement</p>	<p>The public shareholding spread of the Company is 11.66% based on its record of depositors as at the LPD and the Company was granted an extension of time until 1 April 2025 to comply with the Public Spread Requirement by Bursa Securities vide its letter dated 20 November 2024. In the event that the Proposed SCR is aborted or not approved by the Non-Interested Shareholders, the Joint Offerors do not intend to rectify the Public Spread Requirement.</p> <p>The Joint Offerors had, vide the SCR Offer Letter, indicated that they <b>do not intend to maintain the listing status of the Company on the Main Market of Bursa Securities</b> upon completion of the Proposed SCR. Accordingly, the Joint Offerors will request the Company to make an application to Bursa Securities pursuant to Paragraph 16.08 of the Listing Requirements to delist the Company and withdraw the listing status from the Official List upon completion of the Proposed SCR.</p>
<p><b>Section 6.6</b></p> <p>Option Agreements</p>	<p>Dato' Loo PK had on 19 April 2024 entered into the Option Agreements with the Option Writers in respect of the exercise of the Options for the 33,072,844 NPC Shares held by the Option Writers, representing approximately 28.34% of the total NPC Shares in issue (excluding 3,305,900 treasury shares) as at the LPD.</p> <p>Through the Option Agreements, Dato' Loo PK holds call options to purchase any quantity of the Option Shares at step-up exercise prices of between RM2.70 and RM2.82 per Option Share based on the applicable pre-specified periods from the date of the Option Agreement up to 15 months therefrom (unless mutually agreed to be extended).</p>

## EXECUTIVE SUMMARY (Cont'd)

Reference in this IAL / Consideration factors	Our evaluation
	In the event the Proposed SCR is not approved during the Relevant Period (including if the Proposed SCR is not approved by the Non-Interested Shareholders), in accordance with the terms and conditions of the Option Agreements and Supplemental Agreements, the Suspension of the right to exercise the Options will be uplifted upon NPC announcing the abortion of the Proposed SCR on Bursa Securities. Under the situation, should Dato' Loo PK exercise all the Call Option that he would have pursuant to the upliftment of the Suspension, his shareholdings in NPC would increase from 28,408,519 NPC Shares representing approximately 52.69% of the issued share capital of NPC (excluding 3,305,900 treasury shares) as at the LPD to 61,481,463 NPC Shares. Consequently, the collective shareholdings of the Non-Entitled Shareholders would potentially increase to 84.90%.

In view of the above, we are of the view that the Proposed SCR is **REASONABLE** as it represents a viable exit option for you to realise your investments in NPC Shares.

### 3. CONCLUSION AND RECOMMENDATION

In arriving at our conclusion and recommendation, we have assessed and evaluated the fairness and reasonableness of the Proposed SCR in accordance with paragraphs 1 to 7 under Schedule 2: Part III of the Rules, as disclosed in **Section 2** of this Executive Summary.

Premised on the above and our overall evaluation of the Proposed SCR in **Sections 5 and 6** of this IAL, we are of the opinion that the Proposed SCR is **NOT FAIR BUT REASONABLE**.

Accordingly, we would recommend that you **VOTE IN FAVOUR** of the Special Resolution pertaining to the Proposed SCR to be tabled at the forthcoming EGM.

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**Registered Office:**

E-2-1, Block E, Oasis  
Square  
No. 2, Jalan PJU 1A/7A  
Ara Damansara  
47301 Petaling Jaya  
Selangor Darul Ehsan

3 April 2025

**To: The Non-Interested Directors and Entitled Shareholders**

Dear Sir/Madam,

**INDEPENDENT ADVICE LETTER TO THE NON-INTERESTED DIRECTORS AND ENTITLED SHAREHOLDERS  
IN RELATION TO THE PROPOSED SCR**

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*This IAL has been prepared for inclusion in **Part B** of this Circular. Unless otherwise stated, all definitions used in this IAL shall have the same meaning as the words and expressions defined in the “Definitions” section in **Part A** of the Circular, except where the content otherwise requires or where otherwise defined herein. All references to “we”, “us” or “our” are references to DWA Advisory, being the Independent Adviser in relation to the Proposed SCR.*

**1. INTRODUCTION**

On 9 January 2025, in view of the then movement in share price of the Company, the Joint Offerors had pursuant to subparagraphs 9.05(2)(a) and 9.07(1) of the Rules, informed the Company that they were in exploratory discussions for a possible proposal which may lead to the privatisation of the Company at RM2.82 per NPC Share vide the Press Notice. The Joint Offerors also indicated vide the Press Notice that if the proposal materialises, the price in which the Company will be privatised will not be lower than RM2.82 per NPC Share. In accordance with subparagraph 9.06(2)(b) of the Rules, an announcement of the same has also been made by the Company on the same.

On 7 February 2025, the Board announced that the Company had on even date received the SCR Offer Letter from the Joint Offerors, informing the Company of their intention to privatise the Company by way of a selective capital reduction and repayment exercise pursuant to Section 116 of the Act and requesting the Company to undertake the Proposed SCR.

On 17 February 2025, the Non-Interested Directors had appointed AmInvestment Bank as the Principal Adviser to the Company for the Proposed SCR. On the same date, in accordance with paragraph 3.06 of the Rules, the Non-Interested Directors had also appointed DWA Advisory as the Independent Adviser to provide comments, opinions, information and recommendation on the Proposed SCR to the Non-Interested Directors and the Non-Interested Shareholders.

On 28 February 2025, on behalf of the Board, AmInvestment Bank announced that the Non-Interested Directors had deliberated on the contents of the SCR Offer Letter after taking into consideration the advice of the Independent Adviser and had resolved to table the Proposed SCR based on the terms of the SCR Offer Letter to all the Non-Interested Shareholders for their consideration and approval.

The SC had, vide its letter dated 28 March 2025, notified that it has no further comments on this IAL. However, such notification shall not be taken to suggest that the SC recommends the Proposed SCR or that the SC agrees with the recommendation contained herein assumes responsibility for the correctness of any statement made or opinion or report expressed in this IAL.

**THE PURPOSE OF THIS IAL IS TO PROVIDE THE NON-INTERESTED DIRECTORS AND ENTITLED SHAREHOLDERS WITH OUR INDEPENDENT EVALUATION ON THE PROPOSED SCR, TOGETHER WITH OUR RECOMMENDATION ON WHETHER THE ENTITLED SHAREHOLDERS SHOULD VOTE IN FAVOUR OF OR AGAINST THE SPECIAL RESOLUTION AT THE FORTHCOMING EGM IN RELATION TO THE PROPOSED SCR, SUBJECT TO THE SCOPE OF OUR ROLE AND LIMITATIONS SPECIFIED IN THIS IAL.**

**YOU ARE ADVISED TO ALSO CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR AS WELL AS THE RECOMMENDATION CONTAINED HEREIN BEFORE VOTING ON THE SPECIAL RESOLUTION TO BE TABLED AT THE FORTHCOMING EGM IN RELATION TO THE PROPOSED SCR.**

**YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY IF YOU HAVE ANY DOUBT ABOUT THE PROPOSED SCR.**

## 2. DETAILS OF THE PROPOSED SCR

The Proposed SCR involves NPC undertaking a selective capital reduction and a corresponding capital repayment pursuant to Section 116 of the Act in respect of the NPC Shares held by the Entitled Shareholders on the Entitlement Date.

As at the LPD, the issued share capital of NPC is RM120,000,000 comprising 120,000,000 NPC Shares in issue (including 3,305,900 treasury shares).

As at the LPD, the Non-Entitled Shareholders hold 66,000,314 NPC Shares, representing approximately 56.56% of the total issued share capital of NPC in issue (including 3,305,900 treasury shares).

The details of the Proposed SCR are as follows:

<p><b>Consideration for the Proposed SCR</b></p>	<p>The Entitled Shareholders will receive a cash amount of RM2.82 for each NPC Share held by them on the Entitlement Date while the Non-Entitled Shareholders will individually and collectively waive their entitlements to the capital repayment pursuant to the Proposed SCR.</p> <p>Should the Company declare, make and/or pay any dividend and/or distribution of any other nature whatsoever (collectively, the “<b>Distribution</b>”) on or after the date of the Press Notice up to the Entitlement Date, the SCR Offer Price will be reduced by an amount equivalent to the net Distribution made per NPC Share.</p> <p>As at the date of the LPD, there has been no Distribution declared, made and/or paid by the Company on or after the date of the Press Notice.</p>
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<p><b>Mode and timing of settlement</b></p>	<p>The settlement of the SCR Offer Price will be effected via electronic remittance to the Entitled Shareholders' eDividend Accounts duly registered with Bursa Depository <b>within 10 days from the Effective Date</b>. For the Entitled Shareholders who do not maintain eDividend Accounts, the settlement of the SCR Offer Price will be effected via remittance in the form of cheques, banker's drafts and/or cashier's orders which will be despatched by ordinary mail to the Entitled Shareholders (or their designated agents, as they may direct) at the Entitled Shareholders' registered addresses last maintained with Bursa Depository at their own risk <b>within 10 days from the Effective Date</b>.</p> <p>Other than the Set-Off Arrangement as detailed in <b>Section 2.1 of Part A</b> of the Circular and except with the consent of the SC, which would only be granted in exceptional circumstances, settlement of the SCR Offer Price to which the Entitled Shareholders are entitled under the Proposed SCR will be implemented in full in accordance with the terms of the Proposed SCR without regard to any lien, right of set-off, counter claim or other analogous rights to which the Company may otherwise be, or claim to be, entitled against the Entitled Shareholders.</p> <p>Entitled Shareholders who are not residents of Malaysia are advised that the settlement of the SCR Offer Price will be made in Ringgit Malaysia (RM). Such Entitled Shareholders who wish to convert the amount received into foreign currency for repatriation may do so after payment of the appropriate fee and/or charges as levied by the respective licensed financial institutions.</p>
<p><b>Voting conditions of the Proposed SCR</b></p>	<p>The Proposed SCR requires the votes of the Entitled Shareholders whereby the Special Resolution:</p> <ul style="list-style-type: none"> <li>(i) must be approved by a majority in number of Non-Interested Shareholders and at least 75.00% in value to the votes attached to the disinterested NPC Shares that are cast either in person or by proxy at the forthcoming EGM; and</li> <li>(ii) the value of the votes cast against the Special Resolution for the Proposed SCR at the forthcoming EGM is not more than 10.00% of the votes attached to all the disinterested NPC Shares.</li> </ul> <p>The Joint Offerors will abstain from voting in respect of their direct and/or indirect interests in the Company on the Special Resolution to be tabled at the forthcoming EGM in respect of the Proposed SCR (including the Proposed Bonus Issue which will be undertaken as part of and in connection with the Proposed SCR). They will also ensure that persons connected with them (including Arthur Loo) will abstain from voting in respect of their direct and/or indirect interest in the Company, if any, on the Special Resolution to be tabled at the forthcoming EGM.</p>

<p><b>Conditions of the Proposed SCR</b></p>	<p>The Proposed SCR is subject to and conditional upon the following being obtained:</p> <ul style="list-style-type: none"> <li>(i) approval of the Non-Interested Shareholders for the Proposed SCR via the Special Resolution;</li> <li>(ii) the grant of the High Court Order giving effect to the Proposed SCR, followed by the lodgement of an office copy of the High Court Order with the Registrar of Companies; and</li> <li>(iii) approval and/or consent of the existing financiers and/or creditors of the Group, if required.</li> </ul> <p>The Proposed Bonus Issue, which is implemented solely for the purposes of facilitating the implementation of the Proposed SCR, shall form an integral part of the Proposed SCR. Hence, the Non-Interested Shareholders will need to consider and if thought fit approve the Proposed Bonus Issue as part of the resolution for the Proposed SCR at the forthcoming EGM.</p> <p>The Proposed SCR will become effective upon lodgement of an office copy of the High Court Order with the Registrar of Companies pursuant to Section 116(6) of the Act. In this respect, the Proposed SCR shall be binding on all Entitled Shareholders.</p> <p>Save for the above, the Proposed SCR is <b>not conditional</b> upon any other corporate exercise undertaken or to be undertaken by the Company.</p>
<p><b>Irrevocable undertaking</b></p>	<p>As at the LPD, the Non-Entitled Shareholders have not received any irrevocable undertaking from any Entitled Shareholders to vote in favour or against the Special Resolution to be tabled at the forthcoming EGM in relation to the Proposed SCR.</p>
<p><b>Funding</b></p>	<p>The Proposed SCR will be funded via NPC Group's internal funds and/or bank borrowings.</p> <p>The Joint Offerors and the Board confirm that the Proposed SCR will not fail by reason of insufficient financial capability of the Company, and that every Entitled Shareholder will be paid in full by cash.</p> <p>AmInvestment Bank, as the Principal Adviser to the Company for the Proposed SCR, is satisfied and has confirmed that the Proposed SCR will not fail by reason of insufficient financial capability of the Company, and that every Entitled Shareholder will be paid in full by cash.</p>

Further details on the Proposed SCR are set out in **Section 2 of Part A** of the Circular.

### 3. SCOPE AND LIMITATIONS TO THE EVALUATION OF THE PROPOSED SCR

DWA Advisory was not involved in any formulation, deliberations and/or negotiations pertaining to the terms and conditions of the Proposed SCR. DWA Advisory's terms of reference as an independent adviser is limited to expressing an independent opinion on the assessment of the fairness and reasonableness of the Proposed SCR and providing our recommendation on whether the Entitled Shareholders should vote in favour or against the Special Resolution in relation to the Proposed SCR at the forthcoming EGM based on the following:

- (i) information contained in the Press Notice, SCR Offer Letter, Part A of the Circular and the appendices attached thereto;
- (ii) audited consolidated financial statements of NPC for the FYE 31 December 2022, FYE 31 December 2023 and the latest unaudited consolidated financial statement of NPC for the FYE 31 December 2024;
- (iii) information furnished by the Board and management of NPC;
- (iv) discussions with the Board and management of NPC;
- (v) valuation reports by the independent valuers; and
- (vi) other relevant publicly available information.

We have made all reasonable enquiries to the Board and management of NPC and have relied on the Board and management of NPC to take due care to ensure that all information, documents and representations in respect of the Group provided to us by them to facilitate our evaluation of the Proposed SCR are accurate, valid and complete in all material aspects. The Board has confirmed to us that all relevant material facts and information essential to the evaluation of the Proposed SCR have been disclosed to us and has accepted full responsibility for the accuracy of the information provided to us. After making all reasonable enquiries and to the best of our knowledge, we are satisfied that all relevant facts and information and/or representations necessary for our evaluation of the Proposed SCR have been disclosed to us and that such information is sufficient, accurate, valid and there is no omission of any material facts, which would make any information provided to us incomplete, misleading or inaccurate.

Our advice should be considered in the context of the entirety of this IAL. Our views expressed in this IAL are, amongst others, based on capital market, economic, industry, regulatory, monetary, socio-political and other prevailing conditions, and the information and/or documents made available to us as at the LPD or such other period as specified herein. Such conditions may change significantly over a short period of time. Accordingly, our evaluation and opinion expressed herein do not take into account the information, events or conditions arising after the LPD.

In rendering our advice, we had taken note of pertinent factors, which we believe are necessary and of importance to our assessment of the Proposed SCR and therefore of general concern to the Entitled Shareholders. As such:

- (i) our views and recommendation as contained in the IAL only cater to the Entitled Shareholders at large and not to any Entitled Shareholder individually. Hence, in carrying out our evaluation, we have not given consideration to the specific investment objectives, risk profiles, financial and tax situations and particular needs of any individual Entitled Shareholder or any specific group of Entitled Shareholders; and

- (ii) we recommend that any individual Entitled Shareholder or group of Entitled Shareholders who is in doubt as to the action to be taken or require advice in relation to the Proposed SCR in the context of their individual objectives, risk profiles, financial and tax situations or particular needs, consult their respective stockbroker, banker, solicitor, accountant or other professional advisers immediately.

We will immediately notify the SC in writing and the Entitled Shareholders by way of an announcement via press notice if, after despatching this IAL, as guided by subparagraph 11.07(1) of the Rules, we become aware that this IAL:

- (i) contains a material statement which is false or misleading;
- (ii) contains a statement from which there is a material omission; or
- (iii) does not contain a statement relating to a material development.

If circumstances require, a supplementary IAL will be sent to the Entitled Shareholders in accordance with subparagraph 11.07(2) of the Rules and the disclosures and announcements of such facts or statements shall be made before 9 a.m. on the next market day, pursuant to subparagraph 11.07(3) of the Rules.

#### **4. EVALUATION OF THE PROPOSED SCR**

In arriving at our conclusion and recommendation, we have assessed the fairness and reasonableness of the Proposed SCR in accordance with Paragraphs 1 to 7 of Schedule 2: Part III of the Rules, whereby:

- (i) the term “**fair and reasonable**” should generally be analysed as two distinct criteria, i.e. whether the Proposed SCR is “**fair**” and whether the Proposed SCR is “**reasonable**”, rather than as a composite term;
- (ii) the Proposed SCR is considered as “**fair**” if the SCR Offer Price is equal to or higher than the market price and is also equal to or higher than the value of the NPC Shares. However, if the SCR Offer Price is equal to or higher than the market price but is lower than the value of the NPC Shares, the Proposed SCR is considered as “**not fair**”. In making the assessment, the value of the securities of NPC is determined based on the assumption that 100% of the issued share capital of NPC is being acquired;
- (iii) in considering whether a Proposed SCR is “**reasonable**”, we have taken into consideration matters other than the valuation of the NPC Shares that are subject of the Proposed SCR. Generally, the Proposed SCR would be considered “**reasonable**” if it is “**fair**”. Nevertheless, an independent adviser may also recommend for the Entitled Shareholders to vote in favour of the Special Resolution despite it being “**not fair**”, if the independent adviser is of the view that there are sufficiently strong reasons to accept the Proposed SCR in the absence of a higher bid and such reasons should be clearly explained.
- (iv) in the event the Independent Adviser concludes that the Proposed SCR is “**not fair but reasonable**”, the Independent Adviser must clearly explain the following:

- (a) what is meant by “not fair but reasonable”;
- (b) how has the Independent Adviser reached this conclusion; and
- (c) the course of action that the Entitled Shareholders are recommended to take pursuant to the conclusion.

We have taken into consideration the following factors in our evaluation of the Proposed SCR:

<b><u>Fairness of the Proposed SCR:</u></b>	
(i) Valuation of NPC Shares	Section 5.1
<b><u>Reasonableness of the Proposed SCR:</u></b>	
(i) Historical market prices of NPC Shares	Section 6.1
(ii) Historical trading liquidity of NPC Shares	Section 6.2
(iii) Level of control of the Non-Entitled Shareholders	Section 6.3
(iv) No alternative proposal	Section 6.4
(v) Listing status of NPC and non-compliance with the public shareholding spread requirement	Section 6.5
(vi) Option Agreements	Section 6.6

## 5. FAIRNESS OF THE PROPOSED SCR

### 5.1 Valuation of NPC Shares

The NPC Group’s business can be categorised into the following segments:

<b>Plantation and milling</b>	: Involved in the cultivation and the sale of oil palm products
<b>Hotelier</b>	: Involved in the hotel operations
<b>Corporate</b>	: Involved in the provision of management services, the group-level corporate services, treasury and purchasing functions, and the business investments

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As at the LPD, the NPC Group has businesses in Malaysia and Indonesia. Based on NPC Group's unaudited consolidated financial statements for the FYE 31 December 2024, 97.95% of the Group's revenue is derived from the plantation and milling segment.

We set out below NPC Group's financial track record based on the audited consolidated financial statements for the past three (3) FYEs up to 31 December 2023 as well as unaudited consolidated financial statements for the FYE 31 December 2024 by the aforementioned business segments:

Revenue	Audited FYE 31 December			Unaudited FYE 31 December				
	2021 (RM'000)	2022 (RM'000)	2023 (RM'000)	2021 (%)	2022 (%)	2023 (%)	2024 (RM'000)	2024 (%)
Plantation and milling	346,831	407,026	438,204	99.06	98.48	97.97	487,647	97.95
Hotelier	3,297	6,267	9,106	0.94	1.52	2.04	10,225	2.05
Corporate	5,875	6,314	5,837	1.68	1.53	1.30	6,688	1.34
Consolidation adjustment	(5,876)	(6,315)	(5,851)	(1.68)	(1.53)	(1.31)	(6,713)	(1.34)
<b>Total</b>	<b>350,127</b>	<b>413,292</b>	<b>447,296</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>497,847</b>	<b>100.00</b>

Profit/ (Loss) before tax	Audited FYE 31 December			Unaudited FYE 31 December				
	2021 (RM'000)	2022 (RM'000)	2023 (RM'000)	2021 (%)	2022 (%)	2023 (%)	2024 (RM'000)	2024 (%)
Plantation and milling	41,337	37,343	55,649	101.15	103.35	100.06	94,038	98.99
Hotelier	(111)	(1,210)	(36)	(0.27)	(3.35)	(0.06)	958	1.01
Fishery	(358)	-	-	(0.88)	-	-	-	-
Adjustment for finance cost	40,868	36,133	55,613	100.00	100.00	100.00	94,996	100.00
Unallocated expenses	(19,822)	(26,510)	(30,199)	-	-	-	(29,397)	-
	(13,374)	(13,090)	(7,598)	-	-	-	(2,154)	-
<b>Total</b>	<b>7,672</b>	<b>(3,467)</b>	<b>17,816</b>	<b>-</b>	<b>(3,467)</b>	<b>-</b>	<b>63,445</b>	<b>-</b>

### **Commentary on the past financial performance of NPC Group**

The Group's operational performance is mainly affected by seasonal and cyclical factors such as the seasonal pattern in the production of fresh fruit bunches ("FFB"), the seasonal weather conditions and the movement in commodity prices. Consistent with the industry FFB production trend, the first half of the year is usually low in FFB production period whereas the second half of the year is expected to be high in FFB production period.

#### **FYE 31 December 2022 vs FYE 31 December 2021**

The revenue of the plantation and milling segment increased by 18.04% in the FYE 31 December 2022 as compared to the FYE 31 December 2021, mainly due to higher average crude palm oil ("CPO") and palm kernel ("PK") realised price of 17.48% and 12.36% respectively. Nevertheless, the Group recorded loss before tax for the FYE 31 December 2022 which was mainly due to higher production costs arising from the full impact of the minimum wage hike in Malaysia, higher fertiliser cost and lower gain on disposals of a subsidiary and property, plant and equipment of approximately RM2.03 million recorded for the FYE 31 December 2022 as opposed to a higher gain on disposal of property, plant and equipment of approximately RM6.32 million recorded in FYE 31 December 2021

#### **FYE 31 December 2023 vs FYE 31 December 2022**

The revenue of the plantation and milling segment increased by 7.66% in the FYE 31 December 2023 as compared to the FYE 31 December 2022, mainly due to an increase in CPO and PK sales volume as well as FFB production. Therefore, this had resulted in the increase in profit before tax ("PBT") for the FYE 31 December 2023 that was mainly due to an increase in FFB production from the plantation segment by approximately 29.00% as compared to the FYE 31 December 2022.

#### **FYE 31 December 2024 vs FYE 31 December 2023**

The revenue of the plantation and milling segment increased by 11.28% for the FYE 31 December 2024 as compared to the FYE 31 December 2023. The increase was mainly due to higher average selling price and higher sales volume of both CPO and PK. The average selling price for the CPO has increased from RM3,429 per metric tonne ("MT") to RM4,292 per MT, whereas the average selling price for the palm kernel has increased from RM1,734 per MT to RM3,011 per MT. This had eventually led to a higher PBT, increasing from RM17.82 million recorded in the FYE 31 December 2023 to RM63.45 million in the FYE 31 December 2024.

## **5.2 Selection of Valuation Methodology**

In arriving at the estimated value of NPC Group, we have considered various methodologies commonly used for valuation, inter alia, discounted cash flow methodology, relative valuation methodology and RNAV valuation methodology, taking into consideration NPC Group's nature of business, recent financial performance, future earnings generating capabilities, prospects, its business sustainability and other relevant business considerations affecting its business.

In view of the following justifications, we have adopted the RNAV valuation method as the most appropriate valuation methodology to appraise the NPC Group's value:

- (i) the Group's operating result is influenced by both crude palm oil prices, of which is in turn, influenced by other macroeconomic factors and FFB crop production. The cropping pattern for oil palms is influenced by weather conditions. The fluctuating palm product prices will also influence the valuation of its closing stock as well as affect the fair value of the plantation estates;
- (ii) a significant portion of the Group's assets are in the form of properties, plant and equipment and leased plantation assets classified as right-of-use assets which make up approximately 84.33% of the Group's unaudited total assets as at 31 December 2024. These assets include freehold and leasehold land and buildings, plant and machinery forming the palm oil mills and motor vehicles; and
- (iii) there are valuation reports prepared for the plantation estates and palm oil mill (inclusive of buildings, plant and machinery and motor vehicles), hotel, commercial and residential properties and vacant lands to arrive at the market values ("**Subject Properties**"). These valuations were conducted for internal management purposes.

Based on our findings as set out in (i) to (iii) above, we have considered that the Group's revenue and PBT are predominantly derived from its plantation and milling segment (97.95% and 98.99%, respectively), and that a significant portion (84.33%) of the Group's unaudited assets as at 31 December 2024 are properties, plant and equipment and leased plantation assets classified as right-of-use assets.

The carrying values of these plantation assets may not reflect its current market values. Hence, we have relied on the valuation reports prepared by C H Williams Talhar Sdn Bhd & Wong (Sabah) Sdn Bhd ("**C H Williams**") and Henry Butcher (Sabah) Sdn Bhd ("**Henry Butcher**") (collectively, the "**Valuers**") ("**Valuation Reports**") to determine the market values of such assets. In determining the market values of the plantation assets, depending on the type of assets, the Valuers had adopted amongst others, the Comparison Approach and Income Approach – Profits Method (Discounted Cash Flow). The RNAV approach is a common valuation methodology used to value assets of such nature. Accordingly, we are of the opinion that the RNAV valuation methodology is most appropriate in valuing NPC Shares.

RNAV takes into consideration any surplus and/or deficit arising from the revaluation of the material assets of a company to reflect their market values, based on the assumption that the market values of the assets are realisable on a willing buyer-willing seller basis in the open market.

The RNAV analysis assumes, among other things, the effective equity interest of NPC Group in the Subject Properties, the existence of ready and committed buyer(s) for each asset at the fully revalued basis, and that the sale can be conducted efficiently without any time constraint and without regard to other relevant market factors that may affect the sale process. The market values would typically be appraised by expert valuers.

In order to ascertain the RNAV, we have considered the deferred tax asset and liability. Pursuant to paragraph 51 of Malaysian Financial Reporting Standards 112 (MFRS 112), the measurement of the deferred tax asset and liability would follow the manner in which the entity expects to recover the carrying amount of its assets.

For leasehold land and palm oil mill (inclusive of building, plant and machinery and motor vehicles), the deferred tax asset and liability will be subjected to corporate tax in the future and thus the deferred tax liability is computed at 24.00% for Malaysian properties and 22.00% for Indonesian properties, being the current tax rates.



The Company had appointed the Valuers to conduct valuation of the Subject Properties, which represent 93.15% of the value of the property, plant and equipment, as well as investment properties, amounting to RM896.67 million recorded in the unaudited balance sheet of the NPC Group as at 31 December 2024.

The Valuation Reports were prepared in accordance with the Asset Valuation Guidelines issued by the SC and Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers with necessary professional responsibility and due diligence. The valuation methodologies used to value the Subject Properties are comparison approach and income approach. Please refer to **Section 5.2.1 of this IAL** for the detailed explanation of the approaches.

We are of the view that the valuation approaches adopted are reasonable, appropriate and consistent with generally applied valuation approach. We have reviewed and are satisfied with reasonableness of the key bases, assumptions adopted, and opinion of the market value expressed by the Valuers and we have relied on such market values for the purpose of computing the estimated RNAV of the Subject Properties.

The following assumptions have been made in respect of the NPC Group and the Subject Properties:

- (i) NPC Group will continue to operate on a going-concern basis;
- (ii) the revalued Subject Properties are in good condition and there will be ready and committed buyer(s) for each asset at its fully revalued basis and that the sale can be conducted efficiently without any timing constraints and other relevant market factors which may affect the sale process;
- (iii) there are no significant changes to the condition of the Subject Properties;
- (iv) there are no significant or material changes to the relevant approvals and/or licenses as well as agreements governing the business activities of the NPC Group, if any;
- (v) the realisation of the property values is expected to be undertaken in an orderly manner and not under a forced-sale or liquidation scenario;
- (vi) there will be no substantial impairment to the carrying value of NPC Group's other assets. For information, the management of NPC conducts annual impairment assessment on the Group's trade debtors, other receivables, investment properties, goodwill, inventories, and these would have been recognised appropriately and disclosed in accordance with the accounting standards;
- (vii) there are no breaches of relevant laws, regulations, rules and requirements on the Subject Properties;
- (viii) there will not be any compulsory acquisition of the NPC Group's lands by the relevant state authorities pursuant to the provisions of the Land Acquisition Act, 1960 ("LAA"). In the event of any compulsory acquisition by the relevant state authorities, the NPC Group would receive fair compensation based on market value in accordance with the LAA;

- (ix) the current accounting policies adopted by the NPC Group will remain relevant and there will not be any significant changes in the accounting policies of the NPC Group which will have a material adverse effect on the financial performance and financial position of the Group; and
- (x) there will be no material changes in the political, social and economic conditions, monetary and fiscal policies, inflation, regulatory requirements of the property industry in Malaysia (to add Indonesia) and applicable tax regimes or tax rates.

We set out below the composition of the assets of the NPC Group based on the unaudited consolidated statement of financial position as at 31 December 2024:

	Note	Total (RM'000)	Percentage over total assets (%)
<b>Non-current assets</b>			
Property, plant and equipment	(1)	882,669	84.33
Investment properties	(2)	13,974	1.34
Other receivables	(3)	18,217	1.74
Goodwill on consolidation	(4)	32,393	3.09
Deferred tax assets		289	0.03
		947,542	90.53
<b>Current assets</b>			
Inventories	(5)	24,370	2.33
Biological assets	(6)	6,516	0.62
Trade receivables	(7)	5,815	0.56
Other receivables	(3)	20,983	2.00
Tax refundable		1,595	0.15
Cash and bank balances	(8)	39,847	3.81
		99,126	9.47
<b>TOTAL ASSETS</b>		<b>1,046,668</b>	<b>100.00</b>
NA per Share attributable to equity holders (RM)		5.42	

Notes:

- (1) Property, plant and equipment (“PPE”) and right-of-use assets

The Group’s PPE consists of buildings and mill structure, bearer plants, plantation infrastructure development expenditure, palm oil mill and estate plant and machinery, heavy equipment, motor vehicles, furniture, fittings and equipment, and hotel renovations. The right-of-use assets refer to the lease commitments by Group to lease/rent leasehold plantation land, other leasehold land, land use rights for plantation and buildings.

Based on discussion with the management of NPC, we have identified all material PPE and right-of-use assets which are used in the Group's plantation and milling segment and hotelier segment, specifically, the plantation estates (including bearer plants and immovable buildings) and oil palm mill (including immovable buildings, plant and machinery and motor vehicles) and hotel (including building, structures and improvements), which constitute the Subject Properties.

As at 31 December 2024, the Group also has assets with carrying value of approximately RM87.61 million which are not employed solely for use by the Group's plantation and milling segment and hotelier segment. We do not consider these assets material to the Group. As such, we have considered that these assets and their carrying values should approximate their respective fair values. As such, we have considered that these assets are depreciating assets and their carrying values should approximate their respective fair values.

In determining fair values of the material assets of the Group's plantation and hotel segments, we have relied on the Valuation Reports prepared by the Valuers to determine the market value of these assets. A summary of the revalued assets is as follows:

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No.	Description of subject property	Land area (hectares)	Tenure	Status	Registered owner	Category of land use/ Special terms	Valuer	Date of acquisition	Valuation date	Valuation method	Market value (RM'000)	Unaudited net book value as at 31 December 2024 (RM'000)	Revaluation surplus / (deficit) (RM'000)
1	CL 085317406 and 11 other Country Lease Titles located at Km 70-75, Sandakan-Kota Kinabalu Highway, Beluran (Labuk-Sugut), Sabah, Malaysia	924.88 (2,285.46 acres)	Leasehold – 99 years for all 12 Country Leases Unexpired term 53 – 62 years approximately	Oil palm estate	Intan Ramai Sdn Bhd	Agriculture	C H Williams	2002 and 2005	7 November 2024	Investment method (Net present value, discounted cash flow) and comparison method	80,000	59,738	20,262
2	CL 085324116 and CL 085324125 located at Telupid, Off Km 11, Jalan Telupid-Tongod, Labuk-Sugut, Sabah, Malaysia	417.33 (1,031.62 acres)	Leasehold – 99 years Unexpired term 63 years approximately	Oil palm estate	Sinar Ramai Sdn Bhd	Agriculture	C H Williams	2002	7 November 2024	Investment method (Discounted Cash Flow) and comparison method	26,200	22,703	3,497
3	CL 095316448, CL 095316457 and CL 095317650 located at Segaliud-Lokan, Off Km 84.5, Sandakan-Lahad Datu Highway, Kinabatangan, Sabah, Malaysia	798.50 (1,973.13 acres)	Leasehold – 99 years Unexpired 61 – 64 years approximately	Oil palm estate	Agrisa Trading Sdn Bhd	Agriculture	C H Williams	2002 and 2003	12 November 2024	Investment method (Discounted cash flow) and comparison method	38,600	42,618	(4,018)
4	CL 055324797 and PL 056290085 located at Jalan Limbuak Darat, Pulau Banggi, 89090 Kudat, Sabah, Malaysia	4,008.8 (9,905.80 acres)	Leasehold – 99 years Unexpired – 44 years approximately	Oil palm estate	Sungai Kenali Sdn Bhd	Agriculture	Henry Butcher	2012	1 December 2024	Income approach (Discounted cash flow method) and comparison method	182,359	131,246	51,113

No.	Description of subject property	Land area (hectares)	Tenure	Status	Registered owner	Category of land use/ Special terms	Valuer	Date of acquisition	Valuation date	Valuation method	Market value (RM'000)	Unaudited net book value as at 31 December 2024 (RM'000)	Revaluation surplus / (deficit) (RM'000)
5	PT Nala Palma Cadudasa Oil Palm Plantation situated at Desa Senambah, Mulupan, Ngayau, Muara Bengkal and Benua Baru, Kecamatan Muara Bengkal, Kabupaten Kutai Timur, Provinsi Kalimantan Timur, Indonesia	14,822.53 (36,625.41 acres)	Lamanya Hak Berlaku (Term) – 35 years Unexpired – 21 years approximately	Oil palm estate	PT Nala Palma Cadudasa	Agriculture	C H Williams	2013	13 November 2024	Investment method (Net present value, discounted cash flow) and comparison method	158,700	153,171	5,529
6	PT Hamparan Sentosa Oil Palm Plantation situated at Desa Menamang Kanan, Menamang Kiri, Kecamatan Muara Kaman, Kabupaten Kutai Kartanegara, Propinsi Kalimantan Timur, Indonesia	11,590.86 (28,645.28 acres)	Lamanya Hak Berlaku (Term) – undefined	Oil palm estate	PT Hamparan Sentosa	Agriculture	C H Williams	2017	13 November 2024	Investment method (Net present value, discounted cash flow) and comparison method	265,000	252,296	12,704
7	PT Sumber Alam Selaras Oil Palm Plantation situated at Desa Senyur, Kecamatan Muara Ancalong, Kabupaten Kutai Timur, Provinsi Kalimantan Timur, Indonesia	8,987.56 (22,208.79 acres)	Lamanya Hak Berlaku (Term) – 35 years Unexpired – 23 years approximately	Oil palm estate	PT Sumber Alam Selaras	Agriculture	C H Williams	2017	13 November 2024	Investment method (Net present value, discounted cash flow) and comparison method	47,900	56,410	(8,510)
8	CL 075201231 located at Km 29, Jalan Labuk, Sandakan, Sabah, Malaysia	39.02 (96.43 acres)	Leasehold – 99 years Unexpired – 36 years	Durian trees	Syarikat Sofrah Soh Bhd	Agriculture	C H Williams	2002	12 November 2024	Comparison method	8,680	11,187	(2,507)

No.	Description of subject property	Land area (hectares)	Tenure	Status	Registered owner	Category of land use/ Special terms	Valuer	Date of acquisition	Valuation date	Valuation method	Market value (RM'000)	Unaudited net book value as at 31 December 2024 (RM'000)	Revaluation surplus / (deficit) (RM'000)
9	CL 085317415 located at Off Km 70, Sandakan-Kota Kinabalu Highway, Beluran (Labuk-Sugut), Sabah, Malaysia	4.030 (9.96 acres)	Leasehold – 60 years Unexpired – 20 years	Palm oil mill site	Berkat Setia Sdn Bhd	Palm oil mill	C H Williams	2002	7 November 2024	Replacement cost method	40,000	4,614	35,386
10	Nala Palma Cadudasa Palm Oil Mill located at Desa Senambah, Kecamatan Muara Bengkal, Kabupaten Kutai Timur, Provinsi Kalimantan Timur, Indonesia	29.955 (74.04 acres)	Term – 20 years Unexpired – 12 ¼ years	Palm oil mill site	PT Nala Palma Cadudasa	Palm oil mill	C H Williams	2016	13 November 2024	Cost approach (Depreciated replacement cost method)	36,500	28,387	8,113
11	CL 015146102, CL 015146111 and CL 015008116 located at Jalan Tangki, Off Jalan Bukit Nenas, 88000 Kota Kinabalu, Sabah, Malaysia	1.00 (2.47 acres)	Leasehold – 999 years Unexpired – 889 - 891 years approximately	Vacant lands	The Palace Ventures Sdn Bhd	Zoned for hotel and resorts	Henry Butcher	2007	26 November 2024	Comparison method	79,563	32,692	46,871
	TL 017553203 and TL 017560593 located at The Palace Hotel, No 1, Jalan Tangki, Karamunsing, Off Jalan Bukit Nenas, 88100 Kota Kinabalu, Sabah, Malaysia	0.811 (2.00 acres)	Leasehold – 99 - 999 years Unexpired 41 – 883 years approximately	Hotel	The Palace Ventures Sdn Bhd	Zoned for hotel and resorts, and commercial area (city centre)	Henry Butcher	2008	26 November 2024	Cost approach (Depreciated replacement cost method)			

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(2) Investment properties

Consist of land held by Permata Alam Sdn Bhd, Miracle Display Sdn Bhd and Transglobe Enterprise Sdn Bhd. The fair values of the investment properties are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

(3) Other receivables

Other receivables mainly consist of advances to contractors, deposits, and prepayments. The advances to contractors represent advances made to contractors engaged by the Group's Indonesian subsidiaries for oil palm plantation development and these advances are interest-free and will be deducted against future progress billings for contract work done by the contractors. As such, we have adopted the carrying value as a reasonable basis to approximate the fair value of the other receivables.

(4) Goodwill on consolidation

Goodwill on consolidation arose from the acquisition of subsidiaries, namely Natural Plantation Sdn Bhd and its subsidiaries (as part of the Company's listing exercise in 2002) and PT Hamparan Sentosa, that are principally involved in oil palm plantation. The Group has assessed the recoverable amounts of goodwill allocated and determined that no impairment is required. The recoverable amounts of the cash-generating units are determined using the value-in-use approach, and this is derived from the present value of the future cash flows from each cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 years.

(5) Inventories

The Group's inventories relate to crude palm oil and palm kernel, FFBs, oil palm nurseries, food, beverages and tobacco, hotel consumables and consumable stores. These inventories are carried at lower of cost or net realisable value, i.e. estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. As such, we have adopted the carrying values of these inventories as at 31 December 2024 as it represents the minimum fair value of the assets and it provides reasonable basis to approximate the fair value.

(6) Biological assets

The biological assets of the Group comprise unharvested agriculture produce of bearer plants, i.e. FFBs. The Group adopted the income approach to measure the fair value of the unharvested FFBs. To arrive at the fair value of the unharvested FFBs, management considered the oil content of the unripe FFBs and assumed that the net cash flows to be generated from FFBs prior to more than 6 weeks to harvest are negligible. Costs to sell, which include harvesting, transportation costs and windfall profit levy, are deducted from the fair value.

The biological assets form part of the fair value assigned to the valuation of the plantation land and will be excluded from the computation of the RNAV.

(7) Trade receivables

The Group's trade receivables are subject to normal credit terms granted to customers, with the carrying amount approximating the fair values, as the receivables are short-term in nature. The Group provides credit terms of up to 30 days. Based on the Group's receivable ageing as of 31 December 2024, we noted that the Group has approximately RM1.45 million in receivables aged between 30 and 120 days.

(8) Cash

We note that the carrying amount of cash deposits with licensed banks approximate their fair values as they are cash placed with financial institutions.

### 5.2.1 Net revaluation surplus/(deficit) from the Subject Properties

We noted that the Valuers were engaged to perform valuation solely for internal management purposes to determine the market value of the Group's plantation estates, palm oil mills as well as hotel. The assets forming the Subject Properties include the Group's land, buildings, bearer plants and palm oil mills (inclusive of plant and machinery and motor vehicles) as detailed in **Sections 5.1 (a) and (e)** above. In deriving the market values, the Valuers have categorised the assets as either plantation land with development potential, plantation land and palm oil mill (land and building and plant and machinery). We noted that the valuation reports/certificates by the Valuers were prepared in conformity with the Malaysian Valuation Standards laid down by the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia.

In arriving at the valuation of the Subject Properties, depending on the type of plantation assets being assessed; the Valuers had adopted the following valuation methodologies:

(i) Comparison Approach

For vacant land with development potential, the Valuers had adopted the Comparison Approach. The Comparison Approach entails analysing recent transactions and asking prices of similar properties in the locality for comparison purposes with adjustments made for differences in location, accessibility/visibility, category of use, land size, tenure, shape, terrain, density, planning approval/development order and other relevant characteristics to arrive at the market value. The Valuers have adopted the Comparison Method as the only method of valuation as the subject property has yet to obtain a development order/ planning approval and there are adequate sales comparable to rely upon.

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(ii) Income Approach – Profits Method (Discounted Cash Flow)

For plantation land without development potential, the Valuers have adopted the Income Approach – Profits Method (Discounted Cash Flow) as their primary approach and the Comparison Approach as a check. The Profits Method (Discounted Cash Flow) method involves deriving the annual income of projected field based on the projected yield and price of the crops. The estimated cost of the production and other expenditure are then deducted therefrom to arrive at the net annual income which is capitalised at an appropriate rate of return of the remaining economic life to arrive at the value of the present crop. Where the tenure of the title/land use rights has an unexpired term at the end of the economic life of the present crop more than another economic cycle, the basic land value to which the land reverts at the end of the economic life of the cultivation is added to the value arrived at. The basic land value is discounted over the cropping life for the respective fields/blocks.

(iii) Cost Approach

For palm oil mills (land and building), the Valuers have adopted the Cost Approach which entails separate valuations of the land and the buildings to arrive at the market value of the subject property. The land is valued by reference to transactions of similar lands in the surrounding with adjustment made for in location, accessibility/visibility, category of use, land size, tenure, shape, terrain, density, planning approval/development order and other relevant characteristics. The buildings are valued by reference to their depreciated replacement costs, i.e. the replacement cost new less an appropriate adjustment for depreciation or obsolescence to reflect the existing condition of the buildings at the date of valuation. The land and building values are then summated to arrive at the market value of the subject property.

While for palm oil mills (plant and machinery) and hotels, the Valuers have also adopted the Cost Approach whereby consideration is made to the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices of similar assets, with allowance for accrued depreciation arising from condition, utility, age, wear and tear, or obsolescence present (physical, functional or economic), taking into consideration past and present maintenance policy.

In arriving at their assessment of the Cost Approach, the Valuers develop a Reinstatement Cost New (“RCN”) of each asset or group of assets. The RCN is the estimated amount of money needed to acquire a similar new item having the nearest equivalent utility as the property being valued taking into consideration current prices of materials and manufactured equipment, shipping and handling, labour, contractors’ overhead, design and supervision, profit and fees, and other attendant costs associated with its acquisition and installation, but without provision for overtime or bonuses for labour and premium for materials.

From the RCN, various elements of depreciation are deducted to arrive at the Depreciated Replacement Cost (“DRC”), which is taken as the market value of existing use. The DRC includes depreciation allowance or loss of value arising from condition, utility, age, wear and tear, and obsolescence present (physical, functional or economic), taking into consideration past and present maintenance policy.

We are of the view that the aforementioned valuation approaches, as the case may be, applied by the Valuers are reasonable and are consistent with generally applied valuation methodologies for similar asset types. We have reviewed and are satisfied with the bases and assumptions used by the Valuers in deriving the valuation for the Subject Properties. As such, we are satisfied with the reasonableness of the market value and have relied upon the valuation of the properties conducted by the Valuers.

The indicative value per NPC Share by adopting the RNAV valuation methodology is as follows:

	RM'000	Per NPC Share <sup>(1)</sup>
Unaudited NA of NPC Group as at 31 December 2024 <sup>(2)</sup>	633,025	5.42
Less: Carrying value of biological assets	(6,516)	(0.05)
Add: Net revaluation surplus of the Subject Properties	128,371	1.10
<b>RNAV</b>	<b>754,880</b>	<b>6.47</b>
SCR Offer Price (RM)		2.82
Discount of the SCR Offer Price to the RNAV (RM)/(%)		3.65 / 56.41

*Notes:*

<sup>(1)</sup> Based on the 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.

<sup>(2)</sup> After taking into the consideration the following events subsequent to FYE 2023:

- <sup>(a)</sup> Disposal of 13 parcels of oil palm plantation land held by subsidiaries of the Company, namely Berkat Setia Sdn Bhd, Bonus Indah Sdn Bhd and Kian Merculaba Sdn Bhd, for a total sale consideration of RM165.11 million satisfied in cash. The disposal was completed on 18 December 2024;
- <sup>(b)</sup> Disposal of entire equity interest in PT Enggang Alam Sawita comprising of 1,506,078 ordinary shares at a consideration of IDR105,148,815,422. The disposal was completed on 30 August 2024; and
- <sup>(c)</sup> Disposal of one (1) unit of double-storey detached house held under title deed no. CL075366728 situated in the District of Sandakan, Sabah, Malaysia to Tang Hee Beng at a cash consideration of RM1,280,000, which was completed on 29 October 2024.

Based on the above, we are of the view that the current value of the Company has reflected all relevant events.

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For information purposes, the SCR Offer Price also represents the following NA per NPC Share and PBR:

	NA per NPC Share (RM)	PBR <sup>(1)</sup> (times)	PBR based on the SCR Offer Price (times)
Unaudited consolidated NA as at 31 December 2024	5.42	0.54	0.52

Note:

<sup>(1)</sup> Based on closing price of NPC Shares as at the Possible Proposal LTD of RM2.90.

**Based on our evaluation above, we are of the view that the SCR Offer Price is NOT FAIR as it represents a discount of RM3.65 or 56.41% to the RNAV of RM6.47 per NPC Share.**

The RNAV of the NPC Shares is based on prevailing economic, market and other conditions as well as information provided by NPC Management up to the LPD. Events or circumstances occurring subsequent to the LPD may significantly change the bases and assumptions used, which may then materially affect the RNAV of the NPC Group, whether favourably or adversely.

The Entitled Shareholders should also note that majority of the estimated RNAV per NPC Share consist of plantation estates (which represent approximately 90.33% of the Group's total revalued assets as at LPD) and any sale of the land and buildings held by the Group may be protracted depending on the property market condition at the time and NPC Group may not be able to realise its assets at their full values as the existence of ready and committed buyer(s) who is willing to pay the market value of each property as well as payment of incidental costs related to such sale transactions. In the event of liquidation, the realisation of the properties' value is expected to be undertaken in an orderly manner and may not be immediate.

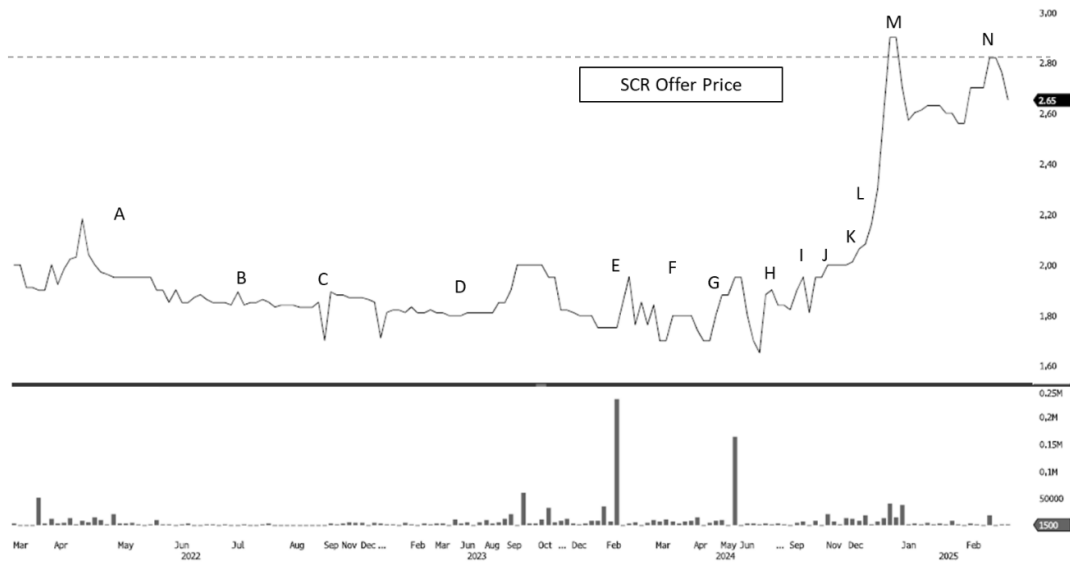
The Entitled Shareholders are advised to read the ensuing sections of this IAL for a comprehensive evaluation of the Proposed SCR and not rely on the valuation of NPC Shares based on RNAV method as the sole criteria when assessing the Proposed SCR.

## 6. REASONABLENESS OF THE PROPOSED SCR

### 6.1 Historical market prices of NPC Shares

The chart below sets out the historical daily closing price movements and trading volume of NPC Shares for the past three (3) years up to the Possible Proposal LTD and up to and including the LPD, compared to the SCR Offer Price.

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During the same period, there have been no changes to the principal activities of NPC Group. Save for the table below and the announcements made in relation to the financial results and annual report of NPC Group for the last three (3) years up to the Possible Proposal LTD and up to and including the LPD, there were no significant events or announcements made by NPC which may have affected the movement of historical market prices of NPC Shares:

Date	Note	Announcement
29 April 2022	A	The Board announced that Messrs Crowe Malaysia PLT, the Company's external auditor, had expressed their unqualified opinion with material uncertainty related to going concern in the audited financial statement of the Company for the FYE 31 December 2021.
29 July 2022	B	The Board announced that the Company had on 29 July 2022 entered into a share sale agreement with Hai Kee Hung Sdn Bhd for the disposal of the entire equity interest in Better Prospects Sdn Bhd, a wholly-owned subsidiary of the Company for a sale consideration of RM6.00 million.
1 September 2022	C	The Board announced that the disposal of the entire equity interest in Better Prospects Sdn Bhd was completed on 29 August 2022.
28 April 2023	D	The Board announced that Messrs Crowe Malaysia PLT, the Company's external auditor, had expressed their unqualified opinion with material uncertainty related to going concern in the audited financial statement of the Company for the FYE 31 December 2022.

Date	Note	Announcement
6 February 2024	E	The Board announced that its subsidiaries, namely Berkat Setia Sdn Bhd, Bonus Indah Sdn Bhd and Kian Merculaba Sdn Bhd (collectively, the “ <b>Vendors</b> ”) had on 6 February 2024 accepted the offer from Tamaco Plantation Sdn Bhd to dispose of 13 parcels of palm oil agriculture lands totalling 7,505.07 acres (“ <b>Sale Properties</b> ”) for a sale consideration of RM165.11 million.
15 March 2024	F	The Board announced that the Vendors have collectively entered into a sale and purchase agreements with Sungei Mangis Plantation Sdn Bhd, a wholly-owned subsidiary of Tamaco Plantation Sdn Bhd for the disposal of the Sale Properties.
30 April 2024	G	The Board announced that Messrs Crowe Malaysia PLT, the Company’s external auditor, had expressed their unqualified opinion with material uncertainty related to going concern in the audited financial statement of the Company for the FYE 31 December 2023.
21 August 2024	H	The Board announced the issuance of the circular in relation to the disposal of the Sale Properties.
2 September 2024	I	The Board announced that it had entered into a Share Purchase Agreement with PT Bayan Resources Tbk and PT Bayan Energy for the disposal of the entire equity interest in PT Enggang Alam Sawita for a consideration of RM29.33 million.
9 October 2024	J	<p>The Board announced that based on the record of depositors as at 8 October 2024, the Company’s public shareholding spread was 23.31% and as such does not comply with the public shareholding spread requirement of 25.00% pursuant to Paragraph 8.02(1) of the Listing Requirements, and that it will be applying to Bursa Securities for an extension of time to rectify the shortfall in the public shareholdings spread.</p> <p>The Board also announced that had appointed Messrs PKF PLT as the external auditors of the Company.</p>
28 November 2024	K	The Board announced that the public shareholding spread of the Company is 11.66% based on the record of depositors dated 27 November 2024 and the Company was granted an extension of time until 1 April 2025 to comply with the public shareholding spread requirement by Bursa Securities vide its letter dated 20 November 2024.
18 December 2024	L	Board announced that the disposal of the Sale Properties was completed on 18 December 2024.
9 January 2024	M	Receipt of the Press Notice.

Date	Note	Announcement
7 February 2024	N	Receipt of the SCR Offer Letter.

Based on the chart above, we noted that the highest traded market price for NPC Shares was RM2.90 (which was recorded on 8 and 9 January 2025) and the lowest traded market price for NPC Shares was RM1.65 (which was recorded on 4 July 2024). The market prices of NPC Shares have been trading below the SCR Offer Price since 10 January 2022 and up to 7 January 2025, two (2) days prior to the Possible Proposal LTD. The historical daily closing price of NPC Shares for the past three (3) years up to the Possible Proposal LTD and up to and including the LPD represents:

- (i) the highest traded market price of NPC Shares of RM2.90;
- (ii) the lowest traded market price for NPC Shares of RM1.65; and
- (iii) the average three (3)-years traded market price for NPC Shares of RM1.99.

We note that the SCR Offer Price yielding the following premium over the following historical closing market price and VWAP of NPC Shares:

	Closing market price / VWAP (RM)	Premium of the SCR Offer Price over the historical closing market price / VWAP of NPC Shares (RM)	(%)
Last trading price as at Possible Proposal LTD	2.9000	(0.0800)	(2.76)
<b>Up to the Possible Proposal LTD:</b>			
5-day VWAP	2.6777	0.1423	5.31
1-month VWAP	2.5021	0.3179	12.71
3-month VWAP	2.2788	0.5412	23.75
6-month VWAP	2.2575	0.5625	24.92
Last trading price as at SCR LTD	2.5600	0.2600	10.16
<b>Up to the SCR LTD:</b>			
5-day VWAP	2.5600	0.2600	10.16
1-month VWAP	2.7654	0.0546	1.97
3-month VWAP	2.4776	0.3424	13.82
6-month VWAP	2.4330	0.3870	15.91
<b>Up to the LPD:</b>			
Last transacted price	2.6600	0.1600	6.02
5-day VWAP	2.6600	0.1600	6.02

(Source: Bloomberg)

Based on the table above, we note that the SCR Offer Price:

- (i) a **discount of 2.76%** over the last transacted market price of NPC Shares as at the Possible Proposal LTD and **premiums ranging between 5.31% and 24.92%** over the 5-day, 1-month, 3-month and 6-month VWAP of NPC Shares up to and including the Possible Proposal LTD;
- (ii) a **premium of 10.16%** over the last transacted market price of NPC Shares as at the SCR LTD and **premiums ranging between 1.97% and 15.91%** over the 5-day, 1-month, 3-month and 6-month VWAP of NPC Shares up to and including the SCR LTD; and
- (iii) represents a **premium of 6.02%** over the last transacted market price and 5-day VWAP of NPC Shares up to the LPD.

Notwithstanding the above, the market prices of NPC Shares have been trading below the SCR Offer Price since 10 January 2022 and up to 7 January 2025, two (2) days prior to the Possible Proposal LTD, which serves as a more meaningful reference price of NPC Shares.

Nonetheless, the Entitled Shareholders are reminded that the market prices of the NPC Shares shown above represent the historical trading prices of the Shares, and are affected to a varying extent by changes in, including, but not limited to, the company-specific factors such as the performance and prospects of the NPC Group as well as prevailing market, political, industry and other general macroeconomic conditions. Accordingly, the historical market prices of the Shares may not be a reliable indicator of the future trading performance of the Shares and should not in any way be relied upon as an indication of the future trading pattern and performance of the Shares.

## 6.2 Historical trading liquidity of NPC Shares

The monthly trading volume of NPC Shares for the past 1 year up to December 2024 (being the last full trading month prior to the Possible Proposal LTD) are shown below:

Month	Monthly volume traded <sup>(1)</sup>	Monthly volume traded over free float <sup>(2)</sup> (%)
<b>2024</b>		
January	-	-
February	<sup>(3)</sup> 297,100	0.78
March	43,500	0.11
April	32,200	0.09
May	<sup>(3)</sup> 172,401	0.46
June	3,000	0.01
July	7,000	0.02
August	3,600	0.01
September	3,500	0.01
October	13,700	0.05
November	40,800	0.14
December	35,200	0.12
Simple average for the past 12 months	54,333	0.15
Simple average for the past 12 months excluding outliers	18,250	0.06

(Source: Bloomberg)

Notes:

- (1) Excludes NPC Shares traded in the open market by the Board, substantial shareholders of NPC and persons connected to them during the respective month, if any.
- (2) Free float of NPC Shares at the Possible Proposal LTD refers to the total NPC Shares held by the public shareholders that excludes NPC Shares held by the Board, substantial shareholders of NPC and persons connected to them as at the Possible Proposal LTD. As at the Possible Proposal LTD, the free float of NPC Shares was 388.05 million NPC Shares.
- (3) Deemed as an outlier which is determined based on extreme deviation from the average which may have materially impacted by significant events or announcements as disclosed in Section 6.1 of this IAL.

Based on the table above, the trading liquidity of NPC Shares based on the simple average for past twelve (12) months up to December 2024 excluding outliers is approximately 18,250, representing a liquidity turnover of 0.06%. We noted no material announcements made by NPC which may have affected the movement of historical trading volume of NPC Shares for the past twelve (12) months up to December 2024.

We have further compared the average trading liquidity turnover of NPC Shares against the KL Plantation Index based on the monthly trading volume of its shares traded on Bursa Securities, as follows:

Company/Index	Average monthly traded volume over free float (%)
NPC	0.06
KL Plantation Index	5.90

Based on the above, we note that NPC Shares are **relatively illiquid** when compared against the KL Plantation Index, as the average trading liquidity turnover of NPC Shares of 0.06% is significantly lower than the average monthly trading liquidity of KL Plantation Index of 5.90% over the same period.

We are of the view that NPC's lower average monthly trading liquidity was due to the performance of the Company is heavily dependent on the oil palm prices to drive the growth of its financial performance going forward. Accordingly, the Entitled Shareholders may have difficulty in liquidating their investment in NPC Shares immediately in the open market if they choose to do so.

The above evaluation is based on the historical trading volume of NPC Shares as at the respective dates/periods and should not be relied upon as an indication of the future trading volume of NPC Shares. In addition, if the Non-Entitled Shareholders increase their shareholding via purchases from the open market of Bursa Securities, the liquidity of the NPC Shares and the ability of Entitled Shareholders to dispose of their NPC Shares in the open market may be further constrained.



Premised on the foregoing, the Proposed SCR represents an opportunity for the Entitled Shareholders (especially for those holding a significant number of NPC Shares) to immediately realise their investments in NPC Shares in cash at the SCR Offer Price which represent a premium over the historical market prices as highlighted in **Section 6.1** of this IAL, an opportunity which may not otherwise be available to you due to the low trading liquidity of NPC Shares.

### **6.3 Level of control by the Non-Entitled Shareholders**

As at the LPD, the Non-Entitled Shareholders hold the equity stake/voting rights of approximately 56.56% in NPC. As such, the Non-Entitled Shareholders would be in a position to approve ordinary resolutions and exert significant influence over special resolutions sought at a general meeting of the Company through casting of their votes (unless the Non-Entitled Shareholders are required to abstain from voting).

For information purposes, an ordinary resolution requires approval from more than 50.00% of the total votes cast while a special resolution requires approval from at least 75.00% of the total votes cast. For avoidance of doubt, the Non-Entitled Shareholders are only required to abstain from voting on resolutions related to any proposal or transaction in which they are interested parties.

### **6.4 No alternative proposal**

As at the LPD, NPC has not received any alternative offer for NPC Shares or any offer to acquire the assets and liabilities of the NPC Group. In addition, as part of the covenants in the SCR Offer Letter, upon the acceptance of the terms of the SCR Offer Letter by the Board, NPC Group shall not enter into any discussion or negotiation, or agreement, with any other party with respect to the sale of the assets and liabilities of the NPC Group (save for the proposed transactions that have been approved by the shareholders of NPC that are still ongoing prior to the serving of the SCR Offer Letter) or an alternative proposal involving NPC at any time until the completion without the Non-Entitled Shareholders prior written consent.

Therefore, there will not be any alternative proposal unless the Non-Entitled Shareholders provide their consent. As such, the Proposed SCR represents the only available exit opportunity for the consideration of the Entitled Shareholders. In the absence of an alternative proposal, the Proposed SCR represents an opportunity for the Entitled Shareholders to realise their investments in NPC Shares at **significant premiums of up to 24.92%** over the historical closing market prices and VWAP of NPC Shares in the past 6-months up to and including the Possible Proposal LTD and a **premium of between 1.97% and 15.91%** over the historical closing market prices and VWAP of NPC Shares in the past one 6-months up to and including the SCR LTD.

### **6.5 Listing status of NPC and non-compliance with the public shareholding spread requirement**

#### **6.5.1 Listing status of NPC**

The Joint Offerors had, vide the SCR Offer Letter, indicated that they **do not intend to maintain the listing status of the Company on the Main Market of Bursa Securities** upon completion of the Proposed SCR. Accordingly, the Joint Offerors will request the Company to make an application to Bursa Securities pursuant to Paragraph 16.08 of the Listing Requirements to delist the Company and withdraw the listing status from the Official List upon completion of the Proposed SCR.

However, in the event the Proposed SCR is unsuccessful and is not implemented due to, among others, failure to fulfil the conditions and/or obtain the approvals for the Proposed SCR as set out in **Section 9 of Part A** of this Circular, the Company may remain listed on the Main Market of Bursa Securities subject to the Company's compliance with the Public Spread Requirement.

#### **6.5.2 Non-compliance with the public shareholding spread requirement**

The public shareholding spread of the Company is 11.66% based on its record of depositors as at the LPD and the Company was granted an extension of time until 1 April 2025 to comply with the public shareholding spread requirement by Bursa Securities vide its letter dated 20 November 2024. In the event that the Proposed SCR is aborted or not approved by the Non-Interested Shareholders, the Joint Offerors do not intend to rectify the Public Spread Requirement.

Paragraph 8.02(1) of the Listing Requirements states that a listed issuer must ensure that at least 25.00% of its total listed shares (excluding treasury shares) are in the hands of public shareholders. Bursa Securities may accept a percentage lower than 25.00% of the total number of listed shares (excluding treasury shares) if it is satisfied that such lower percentage is sufficient for a liquid market of such securities.

The non-compliance with the public shareholding spread requirement will not automatically result in the delisting of NPC. If NPC fails to maintain the required public shareholding spread, it may request for an extension of time to rectify the situation in the manner as may be prescribed by Bursa Securities. Where an extension of time is not granted by Bursa Securities or the non-compliance with the public shareholding spread requirement is not rectified within the timeframe, Bursa Securities may take or impose any type of action or penalty pursuant to Paragraph 16.19 of the Listing Requirements for a breach of Paragraph 8.02(1) of the Listing Requirements, which may include suspension of trading of NPC Shares pursuant to Paragraph 16.02(1) of the Listing Requirements and delisting of NPC. Should there be any suspension in trading of NPC Shares or delisting of NPC from the Official List, the Entitled Shareholders will not be able to trade NPC Shares on the Main Market of Bursa Securities.

Where the public shareholding spread of a listed issuer is 10.00% or less of its total listed shares (excluding treasury shares), Bursa Securities shall suspend trading of the securities of the listed issuer upon expiry of 30 Market Days from the date of immediate announcement by the listed issuer pursuant to Paragraph 8.02(3) of the Listing Requirements, where the public shareholding spread requirement is not met. In this regard, the suspension will only be uplifted upon the listed issuer's full compliance with the public shareholding spread requirement or as may be determined by Bursa Securities.

#### **6.6 Option Agreements**

Dato' Loo PK had on 19 April 2024 entered into the Option Agreements with the Option Writers in respect of the exercise of the Options for the 33,072,844 NPC Shares held by the Option Writers, representing approximately 28.34% of the total NPC Shares in issue (excluding 3,305,900 shares) as at the LPD.

Through the Option Agreements, Dato' Loo PK holds call options to purchase any quantity of the Option Shares at step-up exercise prices of between RM2.70 and RM2.82 per Option Share based on the applicable pre-specified periods from the date of the Option Agreement up to 15 months therefrom (unless mutually agreed to be extended).

Under the Supplemental Agreements, the Option Writers and Dato' Loo PK agreed that, from the date of the Supplemental Agreements up to the Relevant Period and the Options are subject to the Suspension. It should be noted that the Suspension until 30 June 2025 will only suspend the rights of Dato' Loo PK from exercising his Call Options.

The Proposed SCR provides a way for the Joint Offerors to acquire the remaining equity interest in the Company that they do not already own. At the same time, it allows all Entitled Shareholders (not just a select group like the Option Writers) to exit and realise their investments in NPC immediately at the SCR Offer Price, which corresponds to and is equivalent to the highest price within the Option Price range.

In the event the Proposed SCR is aborted during the Relevant Period (including if the Proposed SCR is not approved by the Non-Interested Shareholders), the Suspension will be uplifted upon the Company announcing the abortion of the Proposed SCR on Bursa Securities. Upon the expiry or upliftment of the Suspension, Dato' Loo PK will be allowed to exercise the Call Options to acquire the Option Shares pursuant to the Option Agreements from the Option Writers at the specified Call Price during the remainder of the Call Period, i.e. until 19 July 2025. On the other hand, where the Suspension is not extended to cover the Put Period, the Option Writers will be able to exercise their Put Options to sell the Option Shares to Dato' Loo PK at the Put Price of RM2.82 per Option Share pursuant to the Options Agreements, and eventually exit their investment in the Company during the Put Period, i.e. from 20 July 2025 until 2 August 2025.

Under the situation, should Dato' Loo PK exercise all the Call Option that he would have pursuant to the upliftment of the Suspension, his shareholdings in NPC would increase from 28,408,519 NPC Shares representing approximately 52.69% of the issued share capital of NPC (excluding 3,305,900 treasury shares) as at the LPD to 61,481,463 NPC Shares. Consequently, the collective shareholdings of the Non-Entitled Shareholders would potentially increase to 84.90%.

Further, with the shareholdings of 84.90% in NPC, on a collective basis the Non-Entitled Shareholders will have statutory control over NPC (having more than 50.00% of the voting shares or voting rights in NPC) and unless they are required to abstain from voting on resolutions sought at shareholders' general meeting, they will be able to determine the outcome of any ordinary resolution (which requires approval from simple majority of 50.00% of the total voting shares) and special resolution (which requires approval from at least 75.00% of the total voting shares).

#### **Our view on the reasonableness of the Proposed SCR**

Based on our analysis as set out in **Sections 6.1 to 6.4** of this IAL, we are of the view that the Proposed SCR is **REASONABLE** as it provides an exit opportunity to the Entitled Shareholders, especially for those holding a significant number of NPC Shares, to realise their investment in NPC for cash at the SCR Offer Price expeditiously in view that:

- (i) save for the highest traded market price of NPC Shares of RM2.90 recorded on 8 January 2025, a day prior to the Possible Proposal LTD, NPC Shares have not traded above the SCR Offer Price for the past one (1) year prior to and including the Possible Proposal LTD;
- (ii) the SCR Offer Price represents a **discount of 2.76%** over the last transacted market price of NPC Shares on the Possible Proposal LTD and **premiums ranging between 5.31% and 24.92%** over the 5-day, 1-month, 3-month and 6-month VWAP of NPC Shares up to the Possible Proposal LTD. The SCR Offer Price represents a **premium of 10.16%** over the last transacted market price of NPC Shares on the SCR LTD and **premiums ranging between 1.97% and 15.91%** over the 5-day, 1-month, 3-month, 6-month and 1-year VWAP of NPC Shares up to the SCR LTD. The SCR Offer Price represents a **premium of 6.02%** over the last transacted market price and the 5-day VWAP of NPC Shares up to the LPD;
- (iii) the trading volume of NPC Shares has been **relatively illiquid** whereby its trading liquidity based on the average historical monthly volume traded for the past twelve (12) months up to December 2024 of 0.06% was significantly lower than the average monthly volume traded over free float of KL Plantation Index of 5.90%;
- (iv) NPC has not received any alternative offer for the NPC Shares or any offer to acquire the assets and liabilities of NPC Group. In addition, as part of the covenants in the SCR Offer Letter, upon the acceptance of the terms of the SCR Offer Letter by the Board, NPC Group shall not enter into any discussion or negotiation, or agreement, with any other party with respect to the sale of the assets and liabilities of the NPC Group (save for the proposed transactions that have been approved by the shareholders of NPC that are still ongoing prior to the serving of the SCR Offer Letter) or an alternative proposal involving NPC at any time until the completion without the Joint Offerors' prior written consent. Therefore, there will not be any alternative proposal unless the Joint Offerors provide their consent;
- (v) the Non-Entitled Shareholders with a controlling stake of approximately 56.56% in NPC are able to influence the outcome of any ordinary resolution sought at a general meeting of the Company through casting of their votes (unless the Non-Entitled Shareholders are required to abstain from voting);
- (vi) the public shareholding spread of the Company is 11.66% based on its record of depositors as at the LPD and the Company was granted an extension of time until 1 April 2025 to comply with the public shareholding spread requirement by Bursa Securities vide its letter dated 20 November 2024. The Joint Offerors do not intend to maintain the listing status of NPC on the Main Market of Bursa Securities upon completion. Should there be any suspension in trading of NPC Shares or delisting of NPC from the Official List, the Entitled Shareholders will not be able to trade NPC Shares on the Main Market of Bursa Securities; and

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- (vii) in the event the Proposed SCR is not approved during the Relevant Period (including if the Proposed SCR is not approved by the Non-Interested Shareholders), in accordance with the terms and conditions of the Options Agreements and Supplemental Agreements, the Suspension of the right to exercise the Options will be uplifted upon NPC announcing the abortion of the Proposed SCR on Bursa Securities. Under the situation, should Dato' Loo PK exercise all the Call Option that he would have pursuant to the upliftment of the suspension, his shareholdings in NPC would increase from 28,408,519 NPC Shares representing approximately 52.69% of the issued share capital of NPC (excluding 3,305,900 treasury shares) as at the LPD to 61,481,463 NPC Shares. Consequently, the collective shareholdings of the Non-Entitled Shareholders would potentially increase to 84.90%.

Further, with the shareholdings of 84.90% in NPC, on a collective basis the Non-Entitled Shareholders will have statutory control over NPC (having more than 50.00% of the voting shares or voting rights in NPC) and unless they are required to abstain from voting on resolutions sought at shareholders' general meeting, they will be able to determine the outcome of any ordinary resolution (which requires approval from simple majority of 50.00% of the total voting shares) and special resolution (which requires approval from at least 75.00% of the total voting shares).

## **7. RATIONALE FOR THE PROPOSED SCR AND FUTURE PLANS FOR THE NPC GROUP AND ITS EMPLOYEES**

The rationale for the Proposed SCR and the intention of the Joint Offerors in relation to the future plans for NPC Group and its employees as set out in **Sections 5 and 6 of Part A** of the Circular are as follows:

### **7.1 Rationale for the Proposed SCR**

We wish to highlight that the Proposed SCR is undertaken on a voluntary basis by the Non-Entitled Shareholders via the SCR Offer Letter to privatise the Company whereby upon successful completion of the Proposed SCR, the Non-Entitled Shareholders will collectively hold 100.00% equity interest in NPC and the Company will be delisted from the Official List thereafter.

The Proposed SCR provides an exit opportunity to the Entitled Shareholders (especially for those holding a significant number of NPC Shares) to realise their investment at the SCR Offer Price (which represents a premium against the historical market prices of NPC Shares for the past one (1) years up to the Possible Proposal LTD, save for the highest traded market price of RM2.90 recorded on 8 January 2025) in the immediate term, an opportunity which may not otherwise have been available to the Entitled Shareholders due to the low trading liquidity of NPC Shares.

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Furthermore, we noted that NPC Shares have been thinly traded in the past twelve (12) months up to 31 December 2024, with an average monthly trading volume of 54,333 Shares, which represents a free float of approximately 0.15%. After excluding outliers, the average monthly trading volume is 18,250 Shares, representing a free float of approximately 0.06%. This is lower than the average monthly trading liquidity of KL Plantation Index for the past twelve (12) months up to 31 December 2024 (being the last full trading month up to the Possible Proposal LTD) of 5.90%. Given the limited trading activity of NPC, the Proposed SCR provides an opportunity for the Entitled-Shareholders to immediately monetise their investment at the SCR Offer Price.

We also noted that the NPC's listing status has provided limited benefit to both the Company and its shareholders. NPC is restricted by the regulatory compliance, which hinders it from growing the existing businesses efficiently due to the lack of flexibility. In addition, the costs associated with maintaining listing status and adhering to Bursa Securities' regulatory requirements are substantial. Further, the NPC has not utilised the capital market for fund raising in the past 22 years, indicating that the listing status is not as useful to the Company in capital acquisition.

## **7.2 Future plans for NPC Group and its employees**

### **(i) Continuation of the NPC Group's businesses**

The Joint Offerors intend to continue and focus on the existing businesses of the Group which is principally involved in the operation of oil palm plantations and palm oil mills, trading of fresh fruit bunches, provision of transportation services, property letting, operation of hotel and provision of management services, and do not currently have any plan and/or intention to liquidate any company within the Group.

As at LPD, the Joint Offerors have not made any arrangements, rationalisation and/or reorganisation of the business operations of the Group.

### **(ii) No major changes to the NPC Group's businesses**

The Joint Offerors do not have any immediate plan to introduce or effect any major changes to the existing core business of the Group, liquidate any operating companies within the Group, dispose of any major assets or undertake any major re-deployment of the fixed assets of the Group upon completion of the Proposed SCR, except where such change, disposal and/or re-deployment is necessary as part of the process to rationalise the business activities and/or direction of the Group or to improve the use of resources of the Group.

### **(iii) Employees of the NPC Group**

The Joint Offerors do not have any plan to dismiss or make redundant any of the Group's existing employees by way of a retrenchment exercise as a direct consequence of the Proposed SCR. Nevertheless, there will be continuous constructive measures and assessments undertaken to improve the efficiency of operations and to optimise the human resources of the Group, which may lead to rationalisation of staff employment to improve the overall efficiency of the Group's operations. Such actions, if required, will be carried out in accordance with relevant legislation and the terms of employment of the affected employees.

Premised on the above, we are of the view that the business and management of NPC Group will remain the same in all material aspects and that the NPC Group is expected to continue as a going concern given the Joint Offerors' intention to continue with NPC Group's existing businesses and operations and there is no immediate plan and/or intention to dispose of any major assets of NPC Group or to liquidate any company in NPC Group. We further note that the Joint Offerors have not entered into any negotiation, arrangement or understanding with any third party in relation to any significant change in NPC Group's business and assets, as at the LPD.

## 8. FURTHER INFORMATION

The Entitled Shareholders are advised to refer to the views and recommendation of the Board (save for the Dato' Loo PK) as set out in Part A of the Circular as well as the accompanying appendices and other relevant information in the Circular for further details in relation to the Proposed SCR.

## 9. CONCLUSION AND RECOMMENDATION

In arriving at our conclusion and recommendation in respect of the Proposed SCR, we have assessed the fairness and reasonableness of the Proposed SCR in accordance with paragraphs 1 to 7 of Schedule 2: Part III of the Rules, whereby:

- (i) the term "**fair and reasonable**" should generally be analysed as two distinct criteria, i.e. whether the Proposed SCR is "**fair**" and whether the Proposed SCR is "**reasonable**", rather than as a composite term;
- (ii) the Proposed SCR is considered as "**fair**" if the SCR Offer Price is equal to or higher than the market price and is also equal to or higher than the value of the NPC Shares. However, if the SCR Offer Price is equal to or higher than the market price but is lower than the value of the NPC Shares, the Proposed SCR is considered as "**not fair**". In making the assessment, the value of the NPC Shares is determined based on the assumption that 100% of the issued share capital of NPC is being acquired; and
- (iii) in considering whether a Proposed SCR is "**reasonable**", we have taken into consideration matters other than the valuation of the NPC Shares. Generally, the Proposed SCR would be considered "**reasonable**" if it is "**fair**". Nevertheless, the Independent Adviser may also recommend for Entitled Shareholders to vote in favour of the Special Resolution despite it being "**not fair**", if the Independent Adviser is of the view that there are sufficiently strong reasons to vote in favour of the Special Resolution in the absence of a higher bid and such reasons should be clearly explained; and
- (iv) in the event the Independent Adviser concludes that the Proposed SCR is "**not fair but reasonable**", the Independent Adviser must clearly explain the following:
  - (a) what is meant by "**not fair but reasonable**";
  - (b) how has the Independent Adviser reached this conclusion; and
  - (c) the course of action that the Entitled Shareholders are recommended to take pursuant to the conclusion.

We have assessed and evaluated the terms of the Proposed SCR and have set out our evaluation in **Sections 5 and 6** of this IAL. Entitled Shareholders should carefully consider the merits and demerits of the Proposed SCR based on all relevant and pertinent factors including those set out below and other considerations as set out in this IAL and Part A of the Circular.

In arriving at our opinion, we have taken into consideration various applicable factors as set out below:

<b>Fairness of the SCR Offer Price</b>
<p><b>Valuation of NPC Shares</b></p> <p>Based on our evaluation as per <b>Section 5</b> of this IAL, we are of the view that the Proposed SCR is <b>NOT FAIR</b> as the SCR Offer Price represents:</p> <ul style="list-style-type: none"> <li>(i) a <b>discount of 56.41%</b> to the estimated fair value of NPC Shares of RM6.47 per Share (computed via the RNAV method); and</li> <li>(ii) a <b>discount of 47.97%</b> to the unaudited consolidated NA of RM5.42 per Share as at 31 December 2024.</li> </ul> <p>The RNAV of the NPC Shares is based on prevailing economic, market and other conditions as well as information provided by NPC Management up to the LPD.</p> <p>The Entitled Shareholders should also note that majority of the estimated RNAV per NPC Share consist of plantation estates (which represent approximately 90.33% of the Group's total revalued asset as at the LPD) and any sale of the land and buildings held by the Group may be protracted depending on the property market condition at the time and NPC Group may not be able to realise its assets at their full values as the existence of ready and committed buyer(s) who is willing to pay the market value of each property as well as payment of incidental costs related to such sale transactions.</p> <p>In the event of liquidation, the realisation of the properties' value is expected to be undertaken in an orderly manner and may not be immediate.</p>
<b>Reasonableness of the Proposed SCR</b>
<p>We are of the view that the Proposed SCR is <b>REASONABLE</b> as it provides an exit opportunity to the Entitled Shareholders, especially for those holding a significant number of NPC Shares, to realise their investment in NPC for cash at the SCR Offer Price expeditiously in view that:</p> <p><b>Historical market prices of NPC Shares</b></p> <ul style="list-style-type: none"> <li>(i) Save for the highest traded market price of NPC Shares of RM2.90 recorded on 8 January 2025, a day prior to the Possible Proposal LTD, NPC Shares have not traded above the SCR Offer Price for the past one (1) year prior to and including the Possible Proposal LTD;</li> </ul>



- (ii) SCR Offer Price represents a **premium of between 5.31% and 24.92%** over the 5-day, 1-month, 3-month and 6-month VWAP of NPC Shares up to and including the Possible Proposal LTD;
- (iii) SCR Offer Price represents a **premium of between 1.97% and 15.91%** over the 5-day, 1-month, 3-month, and 6-month VWAP of NPC Shares up to and including the SCR LTD; and
- (iv) Represents a **premium of 6.02%** over the 5-day VWAP of NPC Shares up to the LPD.

#### **Historical trading liquidity of NPC Shares**

The trading volume of NPC Shares was **relatively illiquid** whereby its trading liquidity based on the average historical monthly volume traded for the past twelve (12) months up to December 2024 of 0.06% was significantly lower than the average monthly volume traded over free float of the KL Plantation Index of 5.90%.

#### **Level of control by the Non-Entitled Shareholders**

As at the LPD, the Non-Entitled Shareholders hold the equity stake/voting rights of approximately 56.56% in NPC.

As such, Non-Entitled Shareholders would still be in a position to approve ordinary resolutions and exert significant influence over special resolutions sought at a general meeting of the Company through casting of their votes (unless the Non-Entitled Shareholders are required to abstain from voting).

However, the Non-Entitled Shareholders would not be able to approve ordinary resolutions on their own, as they only hold an equity stake of approximately 43.44%.

#### **No alternative proposal**

As at the LPD, save for the SCR Offer Letter, NPC has not received any alternative offer for the NPC Shares or any offer to acquire the assets and liabilities of NPC group.

In addition, as part of the covenants in the SCR Offer Letter, upon the acceptance of the terms of the SCR Offer Letter by the Board, NPC Group shall not enter into any discussion or negotiation, or agreement, with any other party with respect to the sale of the assets and liabilities of the NPC Group (save for the proposed transactions that have been approved by the shareholders of NPC that are still ongoing prior to the serving of the SCR Offer Letter) or an alternative proposal involving NPC at any time until the completion without the Joint Offerors' prior written consent.

Therefore, there will not be any alternative proposal unless the Non-Entitled Shareholders provide their consent.

**Listing status of NPC and non-compliance with the public shareholding spread requirement**

The Joint Offerors had, vide the SCR Offer Letter, indicated that they **do not intend to maintain the listing status of the Company on the Main Market of Bursa Securities** upon completion of the Proposed SCR. Accordingly, the Joint Offerors will request the Company to make an application to Bursa Securities pursuant to Paragraph 16.08 of the Listing Requirements to delist the Company and withdraw the listing status from the Official List upon completion of the Proposed SCR.

The public shareholding spread of the Company is 11.66% based on its record of depositors as at the LPD and the Company was granted an extension of time until 1 April 2025 to comply with the public shareholding spread requirement by Bursa Securities vide its letter dated 20 November 2024. The Joint Offerors do not intend to maintain the listing status of NPC on the Main Market of Bursa Securities upon completion. Thus, in the event the Proposed SCR is not approved by the Non-Interested Shareholders, the Joint Offerors do not intend to rectify the Public Spread Requirement. Should there be any suspension in trading of NPC Shares or delisting of NPC from the Official List, the Entitled Shareholders will not be able to trade NPC Shares on the Main Market of Bursa Securities.

**Option Agreements**

In the event the Proposed SCR is aborted during the relevant period in accordance with the terms and conditions of the Options Agreements and Supplemental Agreements, the suspension of the right to exercise the Options will be uplifted upon NPC announcing the abortion of the Proposed SCR on Bursa Securities. Under the situation, should Dato' Loo PK exercise all the Call Option that he would have pursuant to the upliftment of the suspension, his shareholdings in NPC would increase from 28,408,519 NPC Shares representing approximately 52.69% of the issued share capital of NPC (excluding 3,305,900 treasury shares) as at the LPD to 61481,463 NPC Shares. Consequently, the collective shareholdings of the Non-Entitled Shareholders would potentially increase to 84.90%.

Further, with the shareholdings of 84.90% in NPC, on a collective basis the Non-Entitled Shareholders will have statutory control over NPC (having more than 50.00% of the voting shares or voting rights in NPC) and unless they are required to abstain from voting on resolutions sought at shareholders' general meeting, they will be able to determine the outcome of any ordinary resolution (which requires approval from simple majority of 50.00% of the total voting shares) and special resolution (which requires approval from at least 75.00% of the total voting shares).

Premised on the foregoing and our evaluation of the Proposed SCR, we are of the opinion that the Proposed SCR is **NOT FAIR BUT REASONABLE**.

Accordingly, we would recommend that you **VOTE IN FAVOUR** of the Special Resolution pertaining to the Proposed SCR to be tabled at forthcoming EGM. However, the decision to be made will depend entirely on your risk appetite and specific preference as well as your expectation of the future performance of NPC. You should be mindful that continuous fluctuations in the market prices of NPC Shares might happen prior to and after EGM in relation to the Proposed SCR. Hence, you are advised to closely monitor the market price and information/announcements in relation to the Proposed SCR before deciding whether to vote in favour of or against the Special Resolution.



If you wish, you may also consider to dispose of your NPC Shares in the open market to realise your investment in NPC Shares in the event the net proceeds from the sale of your shareholding in NPC after the associated transaction costs involved is higher than the SCR Offer Price, and assuming that there will not be any revision to the SCR Offer Price.

In the event you are to consider disposing your holding of the Shares in the open market, you should take note of **Section 12 of Part A** of the Circular in relation to the estimated timeframe for completion as well as the relevant announcements thereto.

Our evaluation as set out in this IAL is rendered solely for the benefit of the Entitled Shareholders as a whole and not for any specific group of Entitled Shareholders. Hence, in carrying out our evaluation, we have not taken into consideration any specific investment objectives, risk profiles, financial situations or particular needs of any individual Entitled Shareholder or any specific group of Entitled Shareholders.

We recommend that any Entitled Shareholder who is in doubt as to the action to be taken or requires specific advice in relation to the Proposed SCR in the context of his or her investment objectives, risk profiles, financial and tax situations or particular needs should consult his or her stockbrokers, bank managers, solicitors, accountants or other professional advisers immediately.

**YOU ARE ADVISED TO READ BOTH THIS IAL AND PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING ANNEXURE AND APPENDICES AND CAREFULLY CONSIDER THE RECOMMENDATIONS CONTAINED HEREIN BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED SCR TO BE TABLED AT THE FORTHCOMING EGM IN RELATION TO THE PROPOSED SCR.**

Yours faithfully  
For and on behalf of  
**DWA ADVISORY SDN BHD**

**Sharil Hanri Yuen**  
Principal

**Dato' Wan Asmadi Wan Ahmad**  
Managing Principal

**ADDITIONAL INFORMATION****1. DIRECTORS' RESPONSIBILITY STATEMENT**

The Board has seen and approved the contents of this IAL. The Board, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this IAL and confirms that, after having made all reasonable enquiries, that to the best of knowledge:

- (i) there are no statement and/or information, the omission of which would render any statement or information relating to NPC Group in this IAL incomplete, false and/or misleading;
- (ii) all material facts and/or information in relation to the Proposed SCR (including those required under the Rules) have been accurately and completely disclosed in this IAL; and
- (iii) opinions expressed by the Board (save for Dato' Loo PK) in this IAL have been arrived at after due and careful consideration.

Further, the responsibility of the Board in respect of:

- (i) the information relating to the Non-Entitled Shareholders and the Proposed SCR (as extracted from Part A of the Circular and the appendices attached thereto) is limited to ensure that such information is accurately reproduced in this IAL; and
- (ii) the independent advice and expression of opinion by DWA Advisory in relation to the Proposed SCR as set out in the IAL, is to ensure that accurate information in relation to the Group was provided to DWA Advisory for its evaluation of the Proposed SCR and to ensure that all information in relation to the Group for DWA Advisory's evaluation of the Proposed SCR has been accurately and completely disclosed to DWA Advisory and that there is no material fact, the omission of which would make any information provided to DWA Advisory false or misleading.

**2. DISCLOSURES OF INTEREST AND DEALINGS IN SHARES**

All dealings made by NPC, the directors of NPC and by the persons with whom NPC or any persons acting in concert, from the Possible Notice LPD up to the LPD have been complied with in accordance with paragraph 19.05 of the Rules. NPC, the directors of NPC and by the persons with whom NPC or any persons acting in concert will ensure that all disclosure of dealings requirements will be complied with in accordance with paragraph 19.05 of the Rules up to the Effective Date.

**2.1 By NPC****(i) Disclosure of interests in Jubilant**

NPC does not have any interest, whether direct or indirect, in any voting shares or convertible securities in Jubilant as at the LPD.

**ADDITIONAL INFORMATION (Cont'd)****(ii) Disclosure of dealings in voting shares or convertible securities of Jubilant**

NPC has not dealt, directly or indirectly, in any voting shares and/or convertible securities of Jubilant, during the period beginning 6 months prior to the date of the Press Notice and ending on the LPD.

**(iii) Disclosure of dealings in NPC Shares**

NPC has not dealt, directly or indirectly, in any of its voting shares during the period beginning 6 months prior to the date of the Press Notice and ending on the LPD.

**2.2 By the directors of NPC****(i) Disclosure of interests in Jubilant**

Saved as disclosed below, as at the LPD, none of the directors of NPC have any interest, whether direct or indirect, in any voting shares or convertible securities of Jubilant:

Name	Direct		Indirect	
	No. of ordinary shares in Jubilant	% <sup>(1)</sup>	No. of ordinary shares in Jubilant	% <sup>(1)</sup>
Dato' Loo PK	99,999	99.999	-	-
Loo Pang Keng	1	0.001	-	-

Note:

<sup>(1)</sup> Calculated based on the total number of 100,000 Jubilant shares in issue as at the LPD.

**(ii) Disclosure of dealings in securities of Jubilant**

As at the LPD, the directors of NPC have not dealt, directly or indirectly, in any voting shares or convertible securities of Jubilant during the period commencing 6 months before the commencement of the date of the Press Notice.

**(iii) Disclosure of interests in NPC**

Saved as disclosed below, as at the LPD, none of the directors of NPC have any interest, whether direct or indirect, in any voting shares or convertible securities of NPC:

Name	Direct		Indirect	
	No. of NPC Shares	% <sup>(1)</sup>	No. of NPC Shares	% <sup>(1)</sup>
Dato' Loo Pang Kee	28,408,518	24.34	<sup>(2)</sup> 37,591,796	32.22

**ADDITIONAL INFORMATION (Cont'd)**

Note:

<sup>(1)</sup> Computed based on 116,694,410 ordinary shares of NPC (excluding 3,305,900 treasure shares).

**(iv) Disclosure of dealings in NPC Shares**

Save as disclosed below, as at the LPD, none of the directors of NPC had directly or indirectly, dealt in securities of NPC during the period commencing 6 months before the date of the Press Notice and up to the LPD:

Name	Date	Nature of Transaction	Nature of Interest	No. of NPC Shares acquired	Percentage as at transaction date (%)	Consideration per NPC Share (RM)
Dato' Loo PK	4 October 2024	Direct business transaction	Direct	2,712,200 <sup>(1)</sup>	2.32	1.80
	10 October 2024	Direct business transaction	Direct	3,166,724 <sup>(2)</sup>	2.71	Nil
	16 October 2024	Direct business transaction	Direct	305,476 <sup>(2)</sup>	2.71	Nil
	5 November 2024	Direct business transaction	Direct	694,524 <sup>(3)</sup>	0.60	Nil

Notes:

<sup>(1)</sup> These Shares were acquired from AmBank (M) Berhad which was previously under an equity swap arrangement between Dato' Loo PK and AmBank (M) Berhad.

<sup>(2)</sup> These Shares were transferred from the father of Dato' Loo PK out of love and affection.

<sup>(3)</sup> These Shares were transferred from Arthur Loo to Dato' Loo PK out of love and affection.

**2.3 By the persons with whom NPC or any persons acting in concert with it has any arrangement**

As at the LPD, NPC or any persons acting in concert with it has not entered into any arrangement including any arrangement involving rights over shares, any indemnity arrangement, any agreement or understanding, formal or informal, of whatever nature, relating to NPC Shares which may be inducement to deal or to refrain from dealing.

**2.4 By the persons with whom NPC or any persons acting in concert with it has borrowed or lent**

As at the LPD, there is no person with whom NPC or any persons acting in concert with it has borrowed or lent any voting shares of NPC.

**ADDITIONAL INFORMATION (Cont'd)****2.5 By DWA Advisory****(i) Disclosure of interests in NPC**

As at the LPD, DWA Advisory does not have any interest, whether direct or indirect, in any voting shares or convertible securities of NPC.

**(ii) Dealing in the securities of NPC**

DWA Advisory has not dealt, directly or indirectly, in any of the voting shares or convertible securities of NPC during the period commencing 6 months before the date of the Press Notice.

**(iii) Disclosure of interests in NPC by funds whose investments are managed by DWA Advisory on a discretionary basis**

As at the LPD, DWA Advisory is not involved in management of funds on a discretionary basis.

DWA Advisory confirms that it is in compliance with paragraphs 19.04 and 19.05 of the Rules and will ensure continuous compliance up to the Effective Date.

**3. SERVICE CONTRACTS**

As at the LPD, neither NPC nor its subsidiaries have any service contracts with any directors or proposed directors of NPC, which have been entered into or amended within 6 months before the date of the Press Notice, or which are fixed term contracts with more than 12 months to run.

For the purpose of this section, the term "service contracts" excludes those expiring or determinable by the employing company without payment of compensation within 12 months from the date of this IAL.

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**INFORMATION ON THE JOINT OFFERORS**


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**(I) JUBILANT****1. HISTORY AND BUSINESS**

Jubilant was incorporated in Malaysia on 11 April 2000 under the Companies Act 1965 as a private limited company under its present name and is deemed registered under the Act.

The principal activity of Jubilant is investment holding. As at LPD, Jubilant only holds ordinary shares in our Company.

**2. SHARE CAPITAL**

As at LPD, the issued share capital of Jubilant is RM100,000.00 comprising 100,000 ordinary shares.

As at LPD, Jubilant does not have any convertible securities in issue.

**3. SHAREHOLDERS AND THEIR SHAREHOLDINGS**

As at LPD, the shareholders of Jubilant and their respective shareholdings in Jubilant are as follows:

Name	Direct		Indirect	
	No. of shares	%	No. of shares	%
Dato' Loo PK	99,999	99.99	-	-
Loo Pang Keng	1	0.001	-	-

**4. DIRECTORS AND THEIR SHAREHOLDINGS**

As at LPD, the directors of Jubilant and their respective shareholdings in Jubilant are as follows:

Name	Direct		Indirect	
	No. of shares	%	No. of shares	%
Dato' Loo PK	99,999	99.99	-	-
Loo Pang Keng	1	0.001	-	-

**5. SUBSIDIARY, ASSOCIATED COMPANY AND JOINT VENTURE**

Save for our Company which is an associated company of Jubilant, Jubilant does not have any subsidiary, associated company and joint venture as at LPD.



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**INFORMATION ON THE JOINT OFFERORS (Cont'd)**


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**6. PROFIT AND DIVIDEND RECORD**

A summary of the profit and dividend record of Jubilant based on its audited financial statements for the past three (3) FYEs 30 June 2022 to 30 June 2024 are as follows:

	<b>Audited</b>		
	<b>FYE 30 June</b>		
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
Other income	672	891	949
Profit/(loss) before taxation	(1,143)	(1,879)	(548)
Profit/(loss) after taxation	(1,149)	(1,879)	(548)
Net earnings/(loss) per share (sen)			
- Basic	(1,149)	(1,879)	(548)
- Diluted	(1,149)	(1,879)	(548)
Net dividend per share (sen)	-	-	-

There are no non-controlling interests and material exceptional item in the audited financial statements of Jubilant for the past three (3) FYEs 30 June 2022 to 30 June 2024.

**7. STATEMENT OF ASSETS AND LIABILITIES**

The statement of assets and liabilities of Jubilant based on its audited financial statements as at 30 June 2024 is as follows:

	<b>Audited 30 June 2024</b>
	<b>(RM'000)</b>
<b>ASSETS</b>	
<b>Non-current assets</b>	
Investment in an associate	66,427
<b>Current assets</b>	
Other receivables	21,307
Income tax refundable	8
Cash and bank balances	168
<b>TOTAL ASSETS</b>	<b>87,910</b>
<b>EQUITY AND LIABILITIES</b>	
Share capital	33,280
Reserves	35,424
<b>Total equity</b>	<b>68,704</b>
<b>Current liabilities</b>	
Borrowings	19,000
Other Payables	206
<b>Total liabilities</b>	<b>19,206</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>87,910</b>

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**INFORMATION ON THE JOINT OFFERORS (Cont'd)**

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**8. MATERIAL CHANGES IN FINANCIAL POSITION**

As at LPD, there are no known material changes in the financial position of Jubilant subsequent to its latest audited financial statements for the FYE 30 June 2024.

**9. ACCOUNTING POLICIES**

The audited financial statements of Jubilant for the past three (3) FYEs 30 June 2022 to 30 June 2024 have been prepared in accordance with the Malaysian Private Entities Reporting Standards and the requirements of the Act, and there was no audit qualification on Jubilant's audited financial statements for the respective financial years under review.

Furthermore, there is no significant change in the accounting policies adopted by Jubilant which would result in the audited financial statements of Jubilant for the past three (3) FYEs 30 June 2022 to 30 June 2024 not being comparable to a material extent.

**(II) DATO' LOO PK****1. PROFILE**

Dato' Loo PK, a Malaysian aged 56, is the co-founder of our Company. He has served as the Group Managing Director cum Chief Executive Officer of our Company since 31 January 2002. Dato' Loo PK has over 30 years of experience in the oil palm plantation and related industries. He plays a key role in spearheading the expansion and new-business growth of the entire organisation. He is an alumnus of Harvard Business School.

**2. DIRECTORSHIPS AND/OR SUBSTANTIAL SHAREHOLDINGS IN PUBLIC LISTED COMPANIES IN MALAYSIA**

As at LPD, save for our Company, Dato' Loo PK does not hold any directorship or substantial shareholding in other public listed companies in Malaysia.

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**INFORMATION ON OUR COMPANY**


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**1. HISTORY AND BUSINESS**

Our Company was incorporated in Malaysia on 28 December 1999 under the Companies Act 1965 as a private limited company and is deemed registered under the Act. Our Company was incorporated under the name of Synergy Series Sdn Bhd and had subsequently changed its name to NPC Resources Sdn Bhd on 4 May 2000. On 23 May 2000, our Company converted to a public limited company and assumed its present name of NPC Resources Berhad. Our Company was listed on the then Main Board of Kuala Lumpur Stock Exchange (*now known as the Main Market of Bursa Securities*) on 7 May 2002.

The principal activity of our Company is investment holding and provision of management services. Please refer to **Section 5.1** of this Appendix for the principal activities of our subsidiaries.

**2. SHARE CAPITAL****2.1 Issued share capital**

As at LPD, the issued share capital of our Company is RM120,000,000 comprising 120,000,000 NPC Shares (including 3,305,900 treasury shares).

**2.2 Changes in share capital**

There have been no changes in the share capital of our Company since the last audited FYE 31 December 2023 up to LPD.

**2.3 Convertible securities**

As at LPD, our Company does not have any convertible securities in issue.

**3. SUBSTANTIAL SHAREHOLDERS AND THEIR SHAREHOLDINGS**

As at LPD, the substantial shareholders of our Company and their respective shareholdings in our Company are as follows:

Name	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Jubilant	36,904,196	31.63	-	-
Dato' Loo PK	28,408,518	24.34	<sup>(2)</sup> 37,591,796	32.22
Tan Sri Dato' Sri Koh Kin Lip, JP	19,783,344	16.95	<sup>(3)</sup> 2,887,350	2.48
<b>Total</b>	<b>85,096,058</b>	<b>72.92</b>		

**Notes:**

- (1) Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.
- (2) Deemed interested by virtue of his shareholdings in Jubilant pursuant to Section 8(4) of the Act and shareholdings held by his son pursuant to Section 59(11)(c) of the Act.
- (3) Deemed interested by virtue of his shareholdings in Rickoh Corporation Sdn Bhd pursuant to Section 8(4) of the Act and shareholdings held by his daughter pursuant to Section 59(11)(c) of the Act.

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**INFORMATION ON OUR COMPANY (Cont'd)**


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**4. DIRECTORS AND THEIR SHAREHOLDINGS**

As at LPD, the directors of our Company and their respective shareholdings in our Company are as follows:

Name	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Lim Ted Hing (Non-Independent Non-Executive Chairman)	804,000	0.69	-	-
Dato' Loo PK (Group Managing Director)	28,408,518	24.34	<sup>(2)</sup> 37,591,796	32.22
Dato' Ooi Sek Min (Independent Non-Executive Director)	-	-	-	-
Hajah Shakinur Ain Binti Hj Karama (Independent Non-Executive Director)	-	-	-	-
Datuk Goh Giok Yee (Independent Non-Executive Director)	-	-	-	-
Chai Chih Kai (Executive Director)	20,500	0.02	-	-

**Notes:**

- (1) Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.
- (2) Deemed interested by virtue of his shareholdings in Jubilant pursuant to Section 8(4) of the Act and shareholdings held by his son pursuant to Section 59(1)(c) of the Act.

**5. SUBSIDIARIES, ASSOCIATED COMPANY AND JOINT VENTURE****5.1 Subsidiaries**

As at LPD, the details of the subsidiaries of our Company are as follows:

Name	Date / Place of incorporation	Effective equity interest of our Company (%)	Principal activities
Growth Enterprise Sdn Bhd	20 November 1979 Malaysia	100.00	Operation of oil palm plantations
Intan Ramai Sdn Bhd	29 October 1984 Malaysia	100.00	Operation of oil palm plantations
Seraya Plantation Sdn Bhd	27 July 1976 Malaysia	100.00	Operation of oil palm plantation (dormant)
Kian Merculaba Sdn Bhd	28 December 1996 Malaysia	100.00	Operation of oil palm plantations
Transglobe Enterprise Sdn Bhd	12 December 1981 Malaysia	100.00	Property letting
Sinar Ramai Sdn Bhd	24 April 1985 Malaysia	100.00	Operation of oil palm plantation
Agrisa Trading Sdn Bhd	11 June 1983 Malaysia	100.00	Operation of oil palm plantations
Syarikat Sofrah Sdn Bhd	2 October 1978 Malaysia	100.00	Operation of durian plantation

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**INFORMATION ON OUR COMPANY (Cont'd)**


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<b>Name</b>	<b>Date / Place of incorporation</b>	<b>Effective equity interest of our Company</b>	<b>Principal activities</b>
		(%)	
Sungai Kenali Sdn Bhd	22 March 1985 Malaysia	100.00	Operation of oil palm plantations
Permata Alam Sdn Bhd	28 August 1984 Malaysia	100.00	Investment holding
Bintang Kinabalu Plantation Sdn Bhd	5 April 1979 Malaysia	100.00	Investment holding
Miasa Plantation Sdn Bhd	18 February 1981 Malaysia	100.00	Investment holding
Berkat Setia Sdn Bhd	8 November 1979 Malaysia	100.00	Oil palm mill & oil palm plantation
Wenow Enterprise Sdn Bhd	15 August 1994 Malaysia	100.00	Trading of fresh fruit bunches
Dat Soon Trading Sdn Bhd	2 November 1974 Malaysia	100.00	Trading of fresh fruit bunches
Kidat Sdn Bhd	22 August 1980 Malaysia	100.00	Transportation services
Syarikat Emashijau Sdn Bhd	14 May 1976 Malaysia	100.00	Management services on purchasing of consumable stores
Ballerina Sdn Bhd	25 November 1980 Malaysia	100.00	Property letting
The Palace Ventures Sdn Bhd	13 June 1990 Malaysia	100.00	Hotelier
Berkat Banggi Sdn Bhd	11 October 1979 Malaysia	100.00	Growing of oil palm (smallholdings) (dormant)
Natural Plantation Sdn Bhd	17 October 1983 Malaysia	100.00	Activity of holding company (dormant)
Banggi Setia Sdn Bhd	21 July 1989 Malaysia	100.00	Manufacture of crude palm oil (dormant)
Miracle Display Sdn Bhd	17 July 2002 Malaysia	100.00	Real estate activities with own or leased property not elsewhere classified
<b>Held through Growth Enterprise Sdn Bhd</b>			
Telupid Kelapa Sawit Sdn Bhd	26 December 1989 Malaysia	100.00	Investment holding
Bonus Indah Sdn Bhd	23 September 1985 Malaysia	100.00	Operation of oil palm plantations
<b>Held through Bintang Kinabalu Plantation Sdn Bhd</b>			
PT Borneo Indo Subur ( <i>formerly known as PT Borneo Utama Berkat Setia</i> )	4 September 1993 Indonesia	100.00	Operation of oil palm plantation
<b>Held through Miasa Plantation Sdn Bhd</b>			
PT Sawit Nusantara Makmur Utama	18 March 2011 Indonesia	100.00	Investment holding
PT Berau Utama Berkatsetia	11 August 2017 Indonesia	100.00	Investment holding

**INFORMATION ON OUR COMPANY (Cont'd)**

Name	Date / Place of incorporation	Effective equity interest of our Company	Principal activities
		(%)	
<b>Held through PT Sawit Nusantara Makmur</b>			
PT Hamparan Sentosa	2 December 2008 Indonesia	100.00	Operation of oil palm plantation
PT Sumber Alam Selaras	8 January 2010 Indonesia	100.00	Operation of oil palm plantation
PT Nala Palma Cadudasa	28 October 2009 Indonesia	100.00	Operation of oil palm plantation and palm oil mill
<b>Held through Kidat Sdn Bhd</b>			
Pedoman Hasil Sdn Bhd	13 March 1998 Malaysia	100.00	Operation of oil palm plantation (dormant)

**5.2 Associated company**

Our Company does not have any associated company as at LPD.

**5.3 Joint venture**

Our Company does not have any joint venture as at LPD.

**6. PROFIT AND DIVIDEND RECORD**

A summary of the profit and dividend record of our Group based on our audited consolidated financial statements for the past three (3) FYEs 31 December 2021 to 31 December 2023 as well as our latest unaudited consolidated financial results for the FYE 31 December 2024 are as follows:

	Audited			Unaudited
	FYE 31 December			
	2021	2022	2023	2024
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	350,127	413,292	447,296	497,847
Profit/(loss) before taxation	7,672	(3,467)	17,816	63,445
Profit/(loss) after taxation attributable to:				
- Owners of our Company	10,451	(1,625)	9,582	41,377
- Non-controlling interests	720	2,733	915	388
Net earnings/(loss) per Share (sen)				
- Basic	8.94	(1.39)	8.20	35.44
- Diluted	8.94	(1.39)	8.20	35.44
Net dividend per Share (sen)	-	-	-	-

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**INFORMATION ON OUR COMPANY (Cont'd)**

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Save as disclosed below, there is no other material exceptional item in our audited consolidated financial statements for the past three (3) FYEs 31 December 2021 to 31 December 2023 as well as our latest unaudited consolidated financial results for the FYE 31 December 2024:

**(i) FYE 31 December 2021**

Gain on disposal of property, plant and equipment of approximately RM6.50 million arising from the disposal of the following lands to Syarikat Kretam Plantations Sdn Bhd which were completed on 28 December 2021:

- (a) three (3) parcels of agricultural lands by Seraya Plantation Sdn Bhd, a wholly-owned subsidiary of our Company for a total cash consideration of RM29.60 million; and
- (b) one (1) parcel of agricultural land by Bonus Indah Sdn Bhd, a 70%-owned subsidiary of our Company for a cash consideration of approximately RM23.12 million.

**(ii) FYE 31 December 2022**

Gain on disposal of a subsidiary of approximately RM1.20 million arising from the disposal of our entire equity interest in Better Prospects Sdn Bhd to Hai Kee Hung Sdn Bhd for a cash consideration of RM6.00 million, which was completed on 29 August 2022.

**(iii) FYE 31 December 2024**

- (a) Gain on disposal of a subsidiary of approximately RM1.40 million arising from the disposal of our entire equity interest in PT Enggang Alam Sawita to PT Bayan Resources Tbk and PT Bayan Energy at a cash consideration of approximately IDR105.15 billion, which was completed on 30 August 2024; and
- (b) Loss on disposal of property, plant and equipment of approximately RM2.22 million arising from the disposal of the following lands to Sungei Mangis Plantation Sdn Bhd which were completed on 18 December 2024:
  - (aa) six (6) parcels of agricultural lands by Berkat Setia Sdn Bhd, a wholly-owned subsidiary of our Company for a cash consideration of approximately RM5.53 million;
  - (bb) three (3) parcels of agricultural lands by Bonus Indah Sdn Bhd, an indirect 70%-owned subsidiary of our Company for a cash consideration of approximately RM108.99 million; and
  - (cc) four (4) parcels of agricultural lands by Kian Merculaba Sdn Bhd, a wholly-owned subsidiary of our Company for a cash consideration of approximately RM50.59 million.

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**INFORMATION ON OUR COMPANY (Cont'd)**

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**Commentary of financial performance****(i) FYE 31 December 2022 compared to FYE 31 December 2021**

For the FYE 31 December 2021, our Group recorded revenue of approximately RM350.13 million and profit after taxation attributable to the owners of our Company (“**PATAMI**”) of approximately RM10.45 million.

Our Group’s revenue for the FYE 31 December 2021 was primarily attributable to the plantation and mill operations, mainly driven by the sale of crude palm oil (“**CPO**”) and palm kernel (“**PK**”) of approximately RM278.33 million and RM40.86 million respectively, representing a collective 91.16% of our total revenue for the financial year.

For the FYE 31 December 2022, notwithstanding that our Group recorded lower fresh fruit branches (“**FFB**”) production of 266,572 metric tons (“**MT**”) as compared to the previous financial year of 276,992 MT (representing a slight decrease of approximately 3.8%), our Group recorded higher revenue of approximately RM413.29 million for the said financial year (FYE 2021: RM350.13 million) mainly due to higher average realised prices of CPO by RM607/MT or 17.48% to RM4,079/MT and PK by RM311/MT or 12.36% to RM2,826/MT (FYE 2021: average realised prices of RM3,472/MT and RM2,515/MT for CPO and PK respectively).

The higher average realised prices of CPO and PK were mainly due to firmer prices of soybean and Brent crude oils in the global market, weaker Ringgit as against the US dollar (which made palm oil more competitive than other vegetable oils) and the prolonged Ukraine-Russia war (which disrupted the sunflower oil supply chain globally, causing a surge in the demand for palm oil as a replacement for sunflower oil). As a result of this, our Group’s revenue increased by approximately RM63.16 million or 18.04% to approximately RM413.29 million, as compared to the revenue of approximately RM350.13 million for the FYE 31 December 2021.

Nevertheless, our Group recorded loss after taxation attributable to the owners of our Company (“**LATAMI**”) of approximately RM1.63 million as opposed to PATAMI of approximately RM10.45 million in the preceding financial year, primarily due to the following:

- (a) higher production costs arising from the full impact of the minimum wage hike in Malaysia and higher fertiliser costs; and
- (b) lower gain on disposals of a subsidiary and property, plant and equipment of approximately RM2.03 million recorded for the FYE 31 December 2022 as opposed to a higher gain on disposal of property, plant and equipment of approximately RM6.32 million recorded in the preceding financial year.

Consequently, our Group recorded basic and diluted loss per share (“**LPS**”) of approximately 1.39 sen for the FYE 31 December 2022 as compared to basic and diluted earnings per share (“**EPS**”) of 8.94 sen for the FYE 31 December 2021.



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**INFORMATION ON OUR COMPANY (Cont'd)**

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**(ii) FYE 31 December 2023 compared to FYE 31 December 2022**

For the FYE 31 December 2023, our Group recorded revenue of approximately RM447.30 million, representing an increase of approximately RM34.01 million or 8.23% as compared to the revenue of approximately RM413.29 million for the FYE 31 December 2022.

Despite the decrease in average realised prices of both CPO by RM510/MT or 12.50% to RM3,569/MT and PK by RM1,063/MT or 37.61% to RM1,763/MT (FYE 2022: average realised prices of RM4,079/MT and RM2,826/MT for CPO and PK respectively), the increase in revenue was primarily driven by the increase in FFB production by 78,204 MT or 29.34% to 344,776 MT for the FYE 31 December 2023 (FYE 2022: 266,572 MT). Our Group achieved a higher average overall yield of 15.02 MT per hectare for the FYE 31 December 2023 as compared to 11.59 MT per hectare for the FYE 31 December 2022 mainly due to more areas attaining young mature prime age with higher yield.

In tandem with the increase in our revenue, our Group recorded PATAMI of approximately RM9.58 million in the FYE 31 December 2023 as compared to LATAMI of approximately RM1.63 million in the preceding financial year. Hence, this translates to a basic and diluted EPS of approximately 8.20 sen for the FYE 31 December 2023 (FYE 2022: LPS of 1.39 sen).

**(iii) FYE 31 December 2024 compared to FYE 31 December 2023**

For the FYE 31 December 2024, our Group recorded revenue of approximately RM497.85 million, representing an increase of approximately RM50.55 million or 11.30% as compared to the revenue of approximately RM447.30 million for the FYE 31 December 2023. The increase in revenue for the FYE 31 December 2024 was mainly attributable to higher average realised prices of both CPO by RM326/MT or 9.13% to RM3,895/MT and PK by RM613/MT or 34.77% to RM2,376/MT (FYE 2023: average realised prices of RM3,569/MT and RM1,763/MT for CPO and PK respectively), as well as higher sales volume of both CPO and PK of 109,366 MT and 20,931 MT respectively (FYE 2023: 107,013 MT and 20,803 MT for CPO and PK respectively).

In tandem with the increase in our revenue, our Group recorded higher PATAMI of approximately RM41.38 million in the FYE 31 December 2024 as compared to PATAMI of approximately RM9.58 million in the preceding financial year. The higher PATAMI was also due to lower production costs arising from lower fertiliser costs as compared to FYE 31 December 2023.

As a result of the higher PATAMI recorded, our Group recorded a higher basic and diluted EPS of approximately 35.44 sen for the FYE 31 December 2024 as compared to basic and diluted EPS of 8.20 sen for the FYE 31 December 2023.

*(Sources: Annual Reports 2021, 2022 and 2023 of our Company as well as unaudited fourth quarter interim financial results of our Company for the FYE 31 December 2024)*

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**INFORMATION ON OUR COMPANY (Cont'd)**


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**7. STATEMENT OF ASSETS AND LIABILITIES**

The statement of assets and liabilities of our Group based on our audited consolidated financial statements as at 31 December 2023 as well as our latest unaudited consolidated financial results as at 31 December 2024 are as follows:

	<b>Audited</b> <b>31 December 2023</b>	<b>Unaudited</b> <b>31 December 2024</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	964,288	882,669
Investment properties	14,314	13,974
Other receivables	36,139	18,217
Goodwill on consolidation	32,520	32,393
Deferred tax assets	230	289
	<b>1,047,491</b>	<b>947,542</b>
<b>Current assets</b>		
Inventories	26,882	24,370
Biological assets	7,559	6,516
Trade and other receivables	29,284	26,798
Tax refundable	392	1,595
Cash and bank balances	21,712	39,847
Assets held for sales	165,112	-
	<b>250,941</b>	<b>99,126</b>
<b>Total assets</b>	<b>1,298,432</b>	<b>1,046,668</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	120,000	120,000
Treasury shares	(7,509)	(7,839)
Reserves	457,727	520,864
	<b>570,218</b>	<b>633,025</b>
Non-controlling interests	20,656	(4,723)
<b>Total equity</b>	<b>590,874</b>	<b>628,302</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Borrowings	218,541	168,622
Employee defined benefit liabilities	4,139	3,092
Deferred tax liabilities	129,107	87,702
	<b>351,787</b>	<b>259,416</b>

**INFORMATION ON OUR COMPANY (Cont'd)**

	<b>Audited</b> <b>31 December 2023</b>	<b>Unaudited</b> <b>31 December 2024</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>Current liabilities</b>		
Trade and other payables	127,709	80,485
Borrowings	227,149	65,340
Current tax liabilities	913	13,125
	<b>355,771</b>	<b>158,950</b>
<b>Total liabilities</b>	<b>707,558</b>	<b>418,366</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,298,432</b>	<b>1,046,668</b>

**8. ACCOUNTING POLICIES**

The audited consolidated financial statements of our Company for the past three (3) FYEs 31 December 2021 to 31 December 2023 have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act, and there was no audit qualification for the financial statements of our Company for the respective financial years under review.

However, in the audited consolidated financial statements of our Company for the past three (3) FYEs 31 December 2021 to 31 December 2023, the auditors of our Company, namely Crowe Malaysia PLT, had drawn attention to the relevant notes in the said respective financial statements, which indicates that as at the respective financial year end, our Group's current liabilities exceeded its current assets. This condition gives rise to concerns about whether our Group has sufficient cash flows to meet its obligations for the next 12 months from the end of the respective reporting period, and whether the use of going concern basis in the preparation of the financial statements is appropriate.

Furthermore, there is no significant change in the accounting policies adopted by our Company which would result in the audited consolidated financial statements of our Company for the past three (3) FYEs 31 December 2021 to 31 December 2023 not being comparable to a material extent.

**9. BORROWINGS**

As at 31 December 2024, our Group has total outstanding borrowings of approximately RM233.96 million, all of which are secured as follows:

	<b>Short-term</b>	<b>Long-term</b>	<b>Total</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
Denominated in RM	35,806	7,022	42,828
Denominated in IDR (at exchange rate of IDR100 : RM0.0278*)	29,534	161,600	191,134
	<b>65,340</b>	<b>168,622</b>	<b>233,962</b>

**Note:**

\* Being the middle rate for IDR to RM quoted from Bank Negara Malaysia at 5:00 p.m. as at 31 December 2024.

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**INFORMATION ON OUR COMPANY (Cont'd)**


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**10. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES****10.1 Material commitments**

Save as disclosed below, as at 31 December 2024, there is no other material commitment contracted or known to be contracted by our Group which may have a material impact on the profits or NA of our Group:

	RM'000
Approved and contracted	2,999
Approved but not contracted for	17,646
<b>Total</b>	<b>20,645</b>

**10.2 Contingent liabilities**

As at 31 December 2024, our Company had provided corporate guarantees amounting to approximately RM117.97 million to certain financial institutions to secure banking facilities granted by them to our subsidiaries. As at 31 December 2024, the total amount owing to these financial institutions amounted to approximately RM34.06 million.

Save as disclosed above, as at 31 December 2024, there is no other contingent liability incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial position of our Group.

**11. MATERIAL CHANGES IN FINANCIAL POSITION AND PROSPECTS**

As at LPD, there are no known material changes within the knowledge of our Board and the Joint Offerors, in the financial position or prospects of our Group subsequent to 31 December 2023, being our last audited financial statements, other than as disclosed in the announcements made by our Company on Bursa Securities, which include our quarterly financial results from time to time.

**12. MATERIAL CONTRACTS**

As at LPD, save as disclosed below, our Group has not entered into any material contract (not being contract entered into in the ordinary course of our business) within two (2) years immediately preceding the date of the SCR Offer Letter and up to LPD:

- (i) sale and purchase agreement dated 15 March 2024 (as supplemented by a supplemental deed dated 15 March 2024) entered into between our wholly-owned subsidiary, Berkat Setia Sdn Bhd ("**Berkat Setia**") (as vendor) and Sungei Mangis Plantation Sdn Bhd ("**Sungei Mangis Plantation**") (as purchaser) for the disposal of six (6) parcels of oil palm land held under the following title deeds situated at Mile 62, Labuk Road, in the District of Beluran, Sabah, Malaysia at a total cash consideration of RM5,529,128. The said transaction was completed on 18 December 2024;

<b>Title deed no.</b>	<b>Land area (acres)</b>
CL085329817	42.180
CL085329791	42.105
CL085329782	41.068
CL085329808	42.328
CL085329835	41.809
CL085329826	41.834

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**INFORMATION ON OUR COMPANY (Cont'd)**


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- (ii) sale and purchase agreement dated 15 March 2024 (as supplemented by a supplemental deed dated 15 March 2024) entered into between our wholly-owned subsidiary, Bonus Indah Sdn Bhd (as vendor) and Sungei Mangis Plantation (as purchaser) for the disposal of three (3) parcels of oil palm land held under the following title deeds situated in the Districts of Labuk and Sugut, Sabah, Malaysia at a total cash consideration of RM108,988,000. The said transaction was completed on 18 December 2024;

Title deed no.	Land area (acres)
CL085325355	1,235
CL085312312	2,485
CL085325079	1,234

- (iii) sale and purchase agreement dated 15 March 2024 (as supplemented by a supplemental deed dated 15 March 2024) entered into between our wholly-owned subsidiary, Kian Merculaba Sdn Bhd (as vendor) and Sungei Mangis Plantation (as purchaser) for the disposal of four (4) parcels of oil palm land held under the following title deeds situated in the Districts of Labuk and Sugut, Sabah, Malaysia at a total cash consideration of RM50,594,500. The said transaction was completed on 18 December 2024;

Title deed no.	Land area (acres)
CL085314398	398.47
CL085314405	178.28
CL085325953	492.00
CL085325417	1,231.00

- (iv) sale and purchase agreement dated 23 July 2024 entered into between our wholly-owned subsidiary, Berkat Setia (as vendor) and Tang Hee Beng (as purchaser) for the disposal of one (1) unit of double-storey detached house held under title deed no. CL075366728 situated in the District of Sandakan, Sabah, Malaysia at a cash consideration of RM1,280,000. The said transaction was completed on 29 October 2024;
- (v) sale and purchase agreement dated 29 July 2024 entered into between Koperasi Kakitangan Perkhidmatan Pelajaran Sabah Berhad (as vendor) and our wholly-owned subsidiary, Berkat Setia (as purchaser) for the purchase of 2/5 undivided share of a parcel of land measuring approximately 1,006 hectares held under title deed no. CL085319277 situated in the District of Beluran, Sabah, Malaysia at a cash consideration of RM16,005,000. The said transaction was completed on 4 December 2024; and
- (vi) share purchase agreement dated 30 August 2024 entered into between our wholly-owned subsidiary, PT Berau Utama Berkatsetia (as vendor), PT Bayan Resources Tbk and PT Bayan Energy (collectively, as purchasers) and our Company (as sponsor) for the disposal of the vendor's entire equity interest in PT Enggang Alam Sawita comprising 1,506,078 ordinary shares at a cash consideration of IDR105,148,815,422. The said transaction was deemed completed on 30 August 2024 in accordance with the terms of the share purchase agreement.

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**INFORMATION ON OUR COMPANY (Cont'd)**

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**13. MATERIAL LITIGATION**

As at LPD, save as disclosed below, our Group is not engaged in any litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on the financial position or business of our Group and our Board is not aware of any proceeding, pending or threatened, against our Group, or of any fact likely to give rise to any proceeding which may materially and adversely affect the financial position or business of our Group:

**(i) Civil proceedings between John bin Until & four (4) Others (suing for and on behalf of themselves and the residents of Kampung Segaliud, Sandakan) and Berkat Setia Sdn Bhd (“Berkat Setia”)**

On 10 May 2021, the plaintiffs, being John bin Until and four (4) others (suing for and on behalf of the residents of Kampung Segaliud), commenced a representative action suit against our wholly-owned subsidiary, Berkat Setia and another third party (collectively, as defendants), for negligence and breach of duty for the alleged discharge of industrial effluent from their palm oil mill and as a result causing pollution to the nearby Sungai Segaliud. The plaintiffs claimed, amongst others, an alleged loss and damage in the sum of RM50,000,000 against the defendants.

The trial was held from 4 July 2022 to 6 July 2022 in the High Court of Sandakan. The High Court of Sandakan had on 1 December 2022 ordered, amongst others, the following:

- (a) the plaintiff's claim for general and exemplary/punitive damages, as well as interest against the defendants be dismissed;
- (b) the plaintiff's claim against Berkat Setia for a declaration that Berkat Setia had unlawfully and/or wrongfully released and/or discharged or caused to be released or discharged the industrial effluent and/or other effluent or substance into Sungai Segaliud and/or its tributaries be allowed; and
- (c) Berkat Setia to pay the plaintiffs the costs in the sum of RM50,000.

On 22 December 2022, Berkat Setia filed a notice of appeal to the Court of Appeal under Civil Appeal No. S-02(NCvC)(W)-295-02/2023, appealing against part of the decision of the High Court of Sandakan affecting Berkat Setia.

On 30 December 2022, the plaintiffs filed a notice of appeal to the Court of Appeal under Civil Appeal No. S-02(NCvC)(W)-192-02/2023, appealing against part of the decision of the High Court of Sandakan affecting the plaintiffs' claim for damages and interest.

The hearing for both appeals has been scheduled on 11 September 2025 before the Court of Appeal.

The solicitors for Berkat Setia are of the opinion that for the plaintiffs' appeal to succeed, they would need to prove that their claim for general and exemplary/punitive damages and interest were reasonable based on the facts of the case. However, they have not led any evidence during the trial in the High Court of Sandakan to prove the extent and quantum of the damages claimed. Nevertheless, the Court of Appeal may consider that since the High Court of Sandakan has allowed the plaintiff's claim against Berkat Setia for the declaration, it may consider the extent of damages they are entitled to which Berkat Setia has to defend against.

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**INFORMATION ON OUR COMPANY (Cont'd)**

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For Berkat Setia's appeal to succeed, it has the burden to overcome the challenge of demonstrating that the High Court of Sandakan had wrongfully concluded that Berkat Setia caused the water pollution based on a suspension notice issued by the Department of Environment of Sabah on the basis that the treatment pond was operating below capacity. Berkat Setia's argument at the High Court of Sandakan was that there is an absence of conclusive evidence that Berkat Setia was the sole cause of the alleged pollution in Sungai Segaliud and/or its tributaries specifically on 26 September 2019 (pleaded by the plaintiffs), particularly as water samples were not taken on the day of the alleged incident itself. Furthermore, there were other palm oil mills operating along Sungai Segaliud. Nevertheless, as this was predominantly a finding of fact by the High Court of Sandakan, it is highly challenging to overturn this factual finding before the Court of Appeal as the appellate court is unlikely to disturb a trial judge's finding of facts.

(ii) **Civil proceedings between our Company, our wholly-owned subsidiaries, namely Kian Merculaba Sdn Bhd ("Kian Merculaba") and Bonus Indah Sdn Bhd ("Bonus Indah"), and Remarkable Development Sdn Bhd ("Remarkable Development")**

The plaintiff, Remarkable Development, filed a claim at the High Court of Sandakan to seek, amongst others, a declaration that the plaintiff has acquired an unfettered right to use the road which ran through the lands of Kian Merculaba and Bonus Indah ("**Disputed Road**"). Remarkable Development also claimed for loss and damages arising from the blockage of the Disputed Road by the defendants, namely our Company, Kian Merculaba and Bonus Indah.

The defendants counterclaimed against the plaintiff for trespass of the Disputed Road. The defendants also claimed for loss and damages in the sum of RM1,653,700 together with interest arising from the unlawful use of the Disputed Road by the plaintiff since 2002 until 15 August 2022.

The trial was held from 2 May 2023 to 3 May 2023 at the High Court of Sandakan and the High Court of Sandakan had on 26 September 2023 dismissed both the plaintiff's claim and the defendants' counterclaim.

On 6 October 2023, the plaintiff filed a notice of appeal to the Court of Appeal under Civil Appeal No. S-02(NCvC)(W)-1832-11/2023, appealing against the decision of the High Court of Sandakan in dismissing the plaintiff's claim. Separately, on 11 October 2023, the defendants filed a notice of appeal to the Court of Appeal under Civil Appeal No. S-02(NCvC)(W)-1713-10/2023, appealing against the decision of the High Court of Sandakan in dismissing the defendants' counterclaim.

The hearing for both appeals has been scheduled on 17 July 2025 before the Court of Appeal.

The solicitors for the defendants are of the opinion that the defendants have a fairly good case to defend the decision of the High Court of Sandakan in dismissing Remarkable Development's claim and the defendants have a fairly good case with regard to their appeal. However, the High Court of Sandakan's finding as to the defendants' counterclaim may very well be finding of facts and the Court of Appeal may decline to interfere with the finding of facts by the High Court of Sandakan.

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**DISCLOSURE OF INTERESTS AND DEALINGS IN THE SECURITIES OF NPC**


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**1. DISCLOSURE OF INTERESTS IN THE SECURITIES OF NPC**

As at LPD, there is only one (1) class of shares in our Company, being the ordinary shares, and our Company does not have any convertible securities in issue.

**1.1 By the Joint Offerors**

Save as disclosed below, as at LPD, the Joint Offerors do not have any other interest, whether direct or indirect, in our Company:

Name	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Jubilant	36,904,196	31.63	-	-
Dato' Loo PK	28,408,518	24.34	<sup>(2)</sup> 37,591,796	32.22

**Notes:**

- (1) Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.
- (2) Deemed interested pursuant to his shareholdings in Jubilant pursuant to Section 8(4) of the Act and shareholdings held by his son pursuant to Section 59(11) of the Act.

**1.2 By the directors of Jubilant**

Save for Dato' Loo PK's interest in our Company as disclosed in **Section 1.1** above, as at LPD, none of the directors of Jubilant have any interest, whether direct or indirect, in our Company.

**1.3 By the PACs**

As at LPD, Arthur Loo, who is the son of Dato' Loo PK, is the only PAC. Save as disclosed below, as at LPD, Arthur Loo does not have any other interest, whether direct or indirect, in our Company:

Name	Direct		Indirect	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Arthur Loo	687,600	0.59	-	-

**Note:**

- (1) Calculated based on the total number of 116,694,100 NPC Shares in issue (excluding 3,305,900 treasury shares) as at LPD.

**1.4 By a person who has irrevocably committed to vote in favour of or against the Proposed SCR**

As at LPD, the Joint Offerors and the persons acting in concert with them have not received any irrevocable undertaking from any Non-Interested Shareholder to vote in favour of or against the Special Resolution to be tabled at our forthcoming EGM.



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**DISCLOSURE OF INTERESTS AND DEALINGS IN THE SECURITIES OF NPC (Cont'd)**


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**1.5 By a person with whom the Joint Offerors and the persons acting in concert with them have any arrangement, agreement or understanding**

As at LPD, save for the Option Writers who have entered into the Option Agreements and the supplemental agreements thereto with Dato' Loo PK, the Joint Offerors and the persons acting in concert with them have not entered into any arrangement with any person, including any arrangement involving rights over securities, any indemnity arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to our Company's securities which may be an inducement to deal or to refrain from dealing, in relation to the Proposed SCR.

**1.6 By a person with whom the Joint Offerors or the persons acting in concert with them have borrowed or lent NPC Shares**

As at LPD, there is no NPC Share being borrowed by the Joint Offerors and the persons acting in concert with them from another person, or lent by the Joint Offerors and the persons acting in concert with them to another person.

**2. DEALINGS IN THE SECURITIES OF NPC**
**2.1 By our Company and our directors**

Save for the dealings by Dato' Loo PK as disclosed below, our Company and our directors have not dealt in NPC Shares during the period commencing six (6) months prior to 9 January 2025, being the date of the Press Notice, and up to LPD:

Transaction Date	Details of transaction	No. of Shares		Percentage as at Transaction Date	Transaction price <sup>^</sup>
		Acquired	Disposed		
4 October 2024	Direct business transaction ("DBT")	<sup>(1)</sup> 2,712,200	-	(%) 2.3242	(RM per Share) 1.8000
10 October 2024	DBT	<sup>(2)</sup> 3,166,724	-	2.7137	<sup>(2)</sup> Nil
16 October 2024	DBT	<sup>(2)</sup> 305,476	-	0.2618	<sup>(2)</sup> Nil
5 November 2024	DBT	<sup>(3)</sup> 694,524	-	0.5952	<sup>(3)</sup> Nil

**Notes:**

<sup>^</sup> Excludes brokerage and other incidental costs.

(1) These Shares were acquired from AmBank (M) Berhad which was previously under an equity swap arrangement between Dato' Loo PK and AmBank (M) Berhad.

(2) These Shares were transferred from the father of Dato' Loo PK out of love and affection.

(3) These Shares were transferred from Arthur Loo to Dato' Loo PK out of love and affection.

**2.2 By the Joint Offerors and the directors of Jubilant**

Save for the dealings by Dato' Loo PK as disclosed in **Section 2.1** above, the Joint Offerors and the directors of Jubilant have not dealt in NPC Shares during the period commencing six (6) months prior to 9 January 2025, being the date of the Press Notice, and up to LPD.

**DISCLOSURE OF INTERESTS AND DEALINGS IN THE SECURITIES OF NPC (Cont'd)****2.3 By the persons acting in concert with the Joint Offerors**

Save as disclosed below, the persons acting in concert with the Joint Offerors have not dealt in NPC Shares during the period commencing six (6) months prior to 9 January 2025, being the date of the Press Notice, and up to LPD:

**Dealings by Arthur Loo**

Transaction Date	Details of transaction	No. of Shares		Percentage as at Transaction Date	Transaction price <sup>^</sup>
		Acquired	Disposed		
				(%)	(RM per Share)
7 October 2024	DBT	<sup>(1)</sup> 687,600	-	0.5892	<sup>(1)</sup> Nil
16 October 2024	DBT	<sup>(2)</sup> 694,524	-	0.5952	<sup>(2)</sup> Nil
5 November 2024	DBT	-	<sup>(3)</sup> 694,524	(0.5952)	<sup>(3)</sup> Nil

**Dealings by Datuk Loo Ngin Kong (father of Dato' Loo PK)**

Transaction Date	Details of transaction	No. of Shares		Percentage as at Transaction Date	Transaction price <sup>^</sup>
		Acquired	Disposed		
				(%)	(RM per Share)
10 October 2024	DBT	-	3,166,724	2.7137	<sup>(4)</sup> Nil
16 October 2024	DBT	-	305,476	0.2618	<sup>(4)</sup> Nil
16 October 2024	DBT	-	694,524	0.5952	<sup>(4)</sup> Nil

**Notes:**

<sup>^</sup> Excludes brokerage and other incidental costs.

(1) These Shares were transferred from the mother of Arthur Loo out of love and affection.

(2) These Shares were transferred from the grandfather of Arthur Loo (i.e. father of Dato' Loo PK) out of love and affection.

(3) These Shares were transferred to his father, Dato' Loo PK out of love and affection.

(4) These Shares were transferred to his family members out of love and affection.

**2.4 By the Option Writers**

The Option Writers have not dealt in NPC Shares during the period commencing six (6) months prior to 9 January 2025, being the date of the Press Notice and up to LPD.

**2.5 Confirmation by our Company, our directors, the Joint Offerors and AmlInvestment Bank**

- (i) Our Company and each of our directors respectively confirm on behalf of itself/himself/herself that, for the period from the date of the Press Notice up to LPD, there have been no dealings in NPC Shares made by them, and in each case they have complied with the disclosure of dealings requirements set out in paragraph 19.05 of the Rules. They will also ensure that, for the period from LPD up to the Effective Date, they will disclose all dealings in accordance with paragraph 19.05 of the Rules.

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**DISCLOSURE OF INTERESTS AND DEALINGS IN THE SECURITIES OF NPC (Cont'd)**

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- (ii) The Joint Offerors also confirm on behalf of itself/himself, the persons acting in concert with them and the Option Writers that, for the period from the date of the Press Notice up to LPD, there have been no dealings in NPC Shares made by them, and in each case they have complied with the disclosure of dealings requirements set out in paragraph 19.05 of the Rules. The Joint Offerors will also ensure that, for the period from LPD up to the Effective Date, they, the persons acting in concert with them and the Option Writers will disclose all dealings in accordance with paragraph 19.05 of the Rules.
- (iii) Further, AmInvestment Bank, being the Principal Adviser to our Company and Adviser to Dato' Loo PK in relation to the Proposed SCR, confirms that, it has complied and will continue to comply with the disclosure of dealings requirements for the period from the date of the Press Notice up to the Effective Date in accordance with paragraphs 19.04 and 19.05 of the Rules.

**3. GENERAL DISCLOSURES**

- (i) As at LPD, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of our Company as compensation for loss of office or otherwise in connection with the Proposed SCR.
- (ii) As at LPD, save for the Proposed SCR in which Dato' Loo PK is interested and the Option Agreements (including the supplement agreements thereto), there is no agreement, arrangement or understanding that exists between the Joint Offerors or any person acting in concert with them and any director or recent director of our Company (being such person who was, during the period of six (6) months prior to 9 January 2025, being the date of the Press Notice, a director of our Company) or any of the holders of voting shares or voting rights or recent holders of voting shares or voting rights of our Company (being such person who was, during the period of six (6) months prior to 9 January 2025, being the date of the Press Notice, a holder of voting shares or voting rights of our Company) having any connection with or dependence upon the Proposed SCR.
- (iii) As at LPD, there is no agreement, arrangement or understanding entered into by the Joint Offerors or the persons acting in concert with them whereby any NPC Share held by them upon completion of the Proposed SCR will be transferred to any other person.
- (iv) As at LPD, save for the Proposed SCR in which Dato' Loo PK is interested and the Option Agreements (including the supplemental agreements thereto), there is no agreement or arrangement between any director of our Company and any other person which is conditional on or dependent upon the outcome of the Proposed SCR or otherwise connected with the outcome of the Proposed SCR.
- (v) As at LPD, save for employment contracts, there are no material contracts entered into by the Joint Offerors and the persons acting in concert with them in which any director of our Company has any material personal interest.

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**ADDITIONAL INFORMATION**

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**1. RESPONSIBILITY STATEMENTS**

This Document has been seen and approved by our Board, who has collectively and individually taken reasonable care to ensure the facts stated and opinions expressed by them in this Document, in so far as it relates to our Company, are fair and accurate and that no material facts have been omitted and that our Board accepts responsibility accordingly.

Our Board jointly and severally accepts full responsibility for the accuracy of the information contained in this Document and confirms that after making all reasonable enquiries, and to the best of their knowledge, opinions expressed by them in this Document have been arrived at after due and careful consideration and there are no other facts not contained in this Document, the omission of which would make any statement in this Document false or misleading.

All statements and information in relation to the Joint Offerors and the persons acting in concert with them as disclosed in this Document were provided by the Joint Offerors and the persons connected with them and/or obtained from publicly available sources. Any statement or information in relation to the Joint Offerors and the persons connected with them as disclosed in this Document have been confirmed by them respectively. The responsibility of our Board is limited to ensuring that such information is accurately reproduced in this Document.

In respect of the IAL, the responsibility of our Board is limited to ensuring that all relevant information relating to our Group that is provided to DWA Advisory for its evaluation of the Proposed SCR is accurate and that no material facts have been omitted, the omission of which would make any information and/or statement provided to DWA Advisory incomplete, false or misleading.

**2. CONSENTS AND CONFLICTS OF INTEREST****2.1 AmInvestment Bank**

AmInvestment Bank, being the Principal Adviser for the Proposed SCR, has given and has not subsequently withdrawn its written consent for the inclusion of its name and all references thereto in the form and context in which they appear in this Document.

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad (“**AMMB**”). AMMB and its group of companies (collectively, “**AmBank Group**”) form a diversified financial group and are engaged in a wide range of transactions relating to, among others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management as well as credit transaction services businesses. AmBank Group’s securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

AmBank Group has engaged and may in the future engage in transactions with and perform services for our Group, the Joint Offerors and/or their respective shareholders and/or affiliates (collectively, the “**Relevant Persons**”), in addition to its role as the Principal Adviser to our Company for the Proposed SCR. In addition, any member of the AmBank Group may at any time, in the ordinary course of business, offer to provide its services or to engage in any transaction (on its own account or otherwise) with any member of the Relevant Persons and/or any other entity or person, hold long or short positions in securities issued by the Relevant Persons, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of the Relevant Persons.

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**ADDITIONAL INFORMATION (Cont'd)**


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As at LPD, AmBank Group has extended credit facilities with an aggregate credit limit of RM196.33 million (with an outstanding amount of approximately RM40.57 million) to our Group, including a term loan facility of RM100 million to our Company, to part finance the Proposed SCR ("**Term Loan**"). On 28 February 2025, our Company had accepted the Term Loan and the Term Loan has yet to be drawn down to-date. Notwithstanding this, the appointment of AmInvestment Bank as the Principal Adviser to our Company for the Proposed SCR is a drawdown condition for the Term Loan.

For information purposes, AmInvestment Bank has also been appointed by Dato' Loo PK to advise the Joint Offerors on their obligations under the Rules in connection with the Proposed SCR.

Notwithstanding the above, AmInvestment Bank is of the opinion that concerns of any potential conflict of interest situation that exists or is likely to exist in relation to its role as the Principal Adviser to our Company for the Proposed SCR is mitigated by the following:

- (i) the credit facilities (including the Term Loan) were provided by AmBank Group on an arms' length basis and in its ordinary course of business, and the said credit facilities (including the Term Loan), which represents approximately 1.01% of the audited NA of AmBank Group as at 31 March 2024 of approximately RM19.44 billion, are not material;
- (ii) AmBank Group forms a diversified financial group and is engaged in a wide range of transactions as highlighted above. In addition, AmInvestment Bank is a licensed investment bank and its appointments as the Principal Adviser to our Company and Adviser to Dato' Loo PK for the Proposed SCR are in the ordinary course of its business. AmInvestment Bank does not receive or derive any financial interest or benefit save for the professional fees received in relation to its roles as the Principal Adviser to our Company and Adviser to Dato' Loo PK for the Proposed SCR as well as certain fees received in relation to the Term Loan provided by the AmBank Group to our Company to part finance the Proposed SCR;
- (iii) our Board is fully aware of AmInvestment Bank's role in advising the Joint Offerors on their obligations under the Rules in connection with the Proposed SCR;
- (iv) the Corporate Finance division of AmInvestment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations;
- (v) the conduct of AmBank Group in its banking business is strictly regulated by the Financial Services Act 2013, CMSA and AmBank Group's own internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees; and
- (vi) our Non-Interested Directors had also appointed DWA Advisory as the Independent Adviser to provide comments, opinions, information and recommendation on the Proposed SCR to our Non-Interested Directors and the Non-Interested Shareholders.

## 2.2 DWA Advisory

DWA Advisory, being the Independent Adviser for the Proposed SCR, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Document.

DWA Advisory does not have any conflict of interest that exists or is likely to exist in its capacity as the Independent Adviser for the Proposed SCR.

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**ADDITIONAL INFORMATION (Cont'd)**

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**2.3 Henry Butcher Malaysia (Sabah) Sdn Bhd (“Henry Butcher”)**

Henry Butcher, being one of the independent property valuers for the selected properties as set out in **Section 5.2 of Part B** of this Document, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Document.

Henry Butcher does not have any conflict of interest that exists or is likely to exist in its capacity as one of the independent property valuers for the selected properties.

**2.4 C H Williams Talhar & Wong (Sabah) Sdn Bhd (“CH Williams”)**

CH Williams, being one of the independent property valuers for the selected properties as set out in **Section 5.2 of Part B** of this Document, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which they appear in this Document.

CH Williams does not have any conflict of interest that exists or is likely to exist in its capacity as one of the independent property valuers for the selected properties.

**3. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of our Company at Lot 9, T3, Taman Tshun Ngen, Mile 5, Jalan Labuk 90000 Sandakan, Sabah, Malaysia during normal business hours from 8:00 a.m. to 5:00 p.m. from Mondays to Fridays (except public holidays) from the date of this Document up to and including the date of the EGM:

- (i) the Constitution of our Company;
- (ii) the audited consolidated financial statements of our Company for the past three (3) FYEs 31 December 2021 to 31 December 2023 and the latest unaudited consolidated financial results of our Company for the FYE 31 December 2024;
- (iii) the SCR Offer Letter;
- (iv) the valuation reports on the selected properties as set out in **Section 5.2 of Part B** of this Document;
- (v) the material contracts referred to in **Section 12 of Appendix II** of this Document;
- (vi) the relevant cause papers in respect of the material litigations referred to in **Section 13 of Appendix II** of this Document; and
- (vii) the letters of consent and conflict of interest referred to in **Section 2 of this Appendix**.



## **NPC RESOURCES BERHAD**

Registration No. 199901027413 (502313-P)  
(Incorporated in Malaysia)

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting (“**EGM**”) of NPC Resources Berhad (“**NPC**” or the “**Company**”) will be held physically at Gold Room, Ground Floor, The Palace Hotel, No. 1, Jalan Tangki, Karamunsing, 88100 Kota Kinabalu, Sabah on Friday, 25 April 2025 at 11:00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolution:

#### **SPECIAL RESOLUTION**

#### **PROPOSED SELECTIVE CAPITAL REDUCTION AND REPAYMENT EXERCISE OF THE COMPANY PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 (“ACT”) (“PROPOSED SCR”)**

“**THAT** subject to the approvals and consents being obtained from all relevant authorities and/or parties as well as the order granted by the High Court in Sabah and Sarawak (“**High Court**”) for the reduction of the share capital of the Company under Section 116 of the Act, approval be and is hereby given for the Company to undertake and effect the Proposed SCR in the following manner:

- (i) to undertake a bonus issue of up to 92,262,691 new ordinary shares in NPC (“**NPC Shares**”) to be issued as fully paid-up (“**Bonus Shares**”) on the basis of 1.82 Bonus Shares for every one (1) existing NPC Share held by all shareholders of NPC (other than Dato’ Loo Pang Kee, Jubilant Ventures Sdn Bhd and Arthur Loo Cheng Kuan (collectively, the “**Non-Entitled Shareholders**”)) whose names appear in the Record of Depositors of NPC as at 5:00 p.m. on an entitlement date to be determined and announced later (“**Entitlement Date**”) (“**Entitled Shareholders**”) by way of capitalising up to RM92,262,691 from the retained profits of NPC, in order to increase the issued share capital of NPC up to a level which is sufficient for the capital reduction for the purpose of facilitating the Proposed SCR (“**Proposed Bonus Issue**”);
- (ii) immediately after the Proposed Bonus Issue, to cancel all NPC Shares in issue other than the NPC Shares held by the Non-Entitled Shareholders and the treasury shares held by NPC; and
- (iii) to effect the capital repayment of RM2.82 in cash for each existing NPC Share held by the Entitled Shareholders on the Entitlement Date which have been cancelled. The share capital reduction shall be effected by the cancellation of 50,693,786 existing NPC Shares held by the Entitled Shareholders and all the 92,262,691 Bonus Shares.

The Non-Entitled Shareholders will individually and collectively waive their entitlements to the capital repayment pursuant to the Proposed SCR (including their entitlements to the Bonus Shares). The treasury shares held by NPC which will not be cancelled upon completion of the Proposed SCR, will also not be entitled to the Bonus Shares. The Bonus Shares will be cancelled immediately upon allotment and will not be credited into the Central Depository System (CDS) accounts of the Entitled Shareholders, nor will they be listed on the Official List of Bursa Malaysia Securities Berhad.

**NPC RESOURCES BERHAD**  
**Registration No. 199901027413 (502313-P)**  
**NOTICE OF THE EXTRAORDINARY GENERAL MEETING (Cont'd)**

**AND THAT** pursuant to the Proposed SCR, the board of directors of NPC ("**Board**") be and is hereby authorised to take all such steps as it may deem necessary in connection with the Proposed SCR including:

- (i) to determine the Entitlement Date;
- (ii) to deal with any and all fractions of a sen and of a share that may arise in connection with the Proposed Bonus Issue, where applicable, in the best interest of the Company;
- (iii) to file an application to seek the confirmation from the High Court for the reduction of the share capital of the Company under Section 116 of the Act;
- (iv) to lodge a copy of the order granted by the High Court pursuant to Section 116 of the Act confirming the reduction of share capital of the Company with the Registrar of Companies on such date as the Board may determine;
- (v) after the Proposed Bonus Issue, and subject to the order of the High Court being granted pursuant to Section 116 of the Act with regard to the Proposed SCR, to effect the capital repayment of RM2.82 in cash for each existing NPC Share held by the Entitled Shareholders on the Entitlement Date; and
- (vi) to assent to any term, condition, stipulation, modification, variation and/or amendment as the Board may deem fit, necessary and/or expedient in the best interest of the Company or as a consequence of any requirement imposed by the relevant authorities, the High Court and/or by the Registrar of Companies and/or as may be required to comply with any applicable laws, in relation to the Proposed SCR;

**AND THAT** the Board be and is hereby authorised to do all such acts, deeds and/or things as it may deem fit, necessary and/or expedient in the best interest of the Company in order to implement, finalise, complete and to give full effect to the Proposed SCR, including to execute any document, to enter into any arrangement and/or agreement with any party and to give any undertaking."

By Order of the Board  
**NPC Resources Berhad**

**Dorothy Luk Wei Kam**  
**MAICSA 7000414**  
**SSM PC No. 202008001484**  
Company Secretary

Kota Kinabalu, Sabah  
Dated: 3 April 2025



**Notes:**

- a) *For the purpose of determining member's eligibility to attend the EGM, only depositors whose names appear in the Record of Depositors as at 18 April 2025 will be regarded as members and be entitled to attend, participate and vote at the EGM.*
- b) *A member of the Company who attends, participates, speaks and votes at the EGM is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless the member specifies the proportions of his/her/its shareholding to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. In the case of a corporation, the Form of Proxy must be either under seal or signed by a duly authorised officer or attorney.*
- c) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.*
- d) *The instrument appointing a proxy shall be in writing under the hand of the depositor or his attorney duly authorised in writing or if such appointer is a corporation, under its common seal. If you wish to appoint a proxy to attend, participate and vote on your behalf at the EGM, you may deposit the duly completed and signed Form of Proxy at the Company's Registered Office at Lot 9, T3, Taman Tshun Ngen, Mile 5, Jalan Labuk, 90000 Sandakan, Sabah no later than 24 hours before the time appointed for holding the EGM.*
- e) *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the special resolution set out in the Notice of EGM will be put to vote by poll.*



**NPC RESOURCES BERHAD**  
Registration No. 199901027413 (502313-P)  
(Incorporated in Malaysia)

**FORM OF PROXY**

CDS Account No. \_\_\_\_\_

I/We \_\_\_\_\_ NRIC No./Passport No./Company No./Registration No.: \_\_\_\_\_  
of \_\_\_\_\_

being a member/members of **NPC RESOURCES BERHAD**, hereby appoint:

- (1) Name of Proxy: \_\_\_\_\_ NRIC No./Passport No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_ Tel No.: \_\_\_\_\_
- (2) Name of Proxy: \_\_\_\_\_ NRIC No./Passport No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Email: \_\_\_\_\_ Tel No.: \_\_\_\_\_

or failing him/her, the Chairman of the Meeting as my/our proxy to attend, speak and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company ("**EGM**" or the "**Meeting**"), to be held physically at Gold Room, Ground Floor, The Palace Hotel, No. 1, Jalan Tangki, Karamunsing, 88100 Kota Kinabalu, Sabah, on Friday, 25 April 2025 at 11:00 a.m. or at any adjournment thereof.

I/We direct my/our proxy to vote for or against the Resolution to be proposed at the Meeting as hereinunder indicated.

No.	Special Resolution	FOR	AGAINST
1.	Proposed Selective Capital Reduction and Repayment Exercise of the Company Pursuant to Section 116 of the Companies Act 2016		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. In the absence of specific directions, the proxy will vote or abstain as he/she thinks fit and if no name is inserted in the space for the name of proxy, the Chairman of the Meeting will act as proxy).

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025

No. of Shares held \_\_\_\_\_

Percentage of shareholdings to be represented by proxies:		
	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

.....  
Signature/Common Seal of Appointor

- a) For the purpose of determining member's eligibility to attend the EGM, only depositors whose names appear in the Record of Depositors as at 18 April 2025 will be regarded as members and be entitled to attend, participate and vote at the EGM.
- b) A member of the Company who attends, participates, speaks and votes at the EGM is entitled to appoint a proxy or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless the member specifies the proportions of his/her/its shareholding to be represented by each proxy. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. In the case of a corporation, the Form of Proxy must be either under seal or signed by a duly authorised officer or attorney.
- c) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.



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- e) *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the special resolution set out in the Notice of EGM will be put to vote by poll.*

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AFFIX  
STAMP

The Company Secretary  
**NPC RESOURCES BERHAD**  
Registration No. 199901027413 (502313-P)  
Lot 9, T3  
Taman Tshun Ngen  
Mile 5, Jalan Labuk  
90000 Sandakan  
Sabah

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