



Plantations

BOUSTEAD PLANTATIONS BERHAD^{1245-M}
(A member of Boustead Group)

NEWS RELEASE

Boustead Plantations Provides Industry Perspective on Diesel Subsidy Rationalisation

KUALA LUMPUR, June 11, 2024 – Boustead Plantations Berhad (BPlant) wishes to provide an industry perspective on the Malaysian government’s initiative to rationalise diesel subsidies, a move aimed at ensuring fair and efficient allocation of resources. As a company dedicated to supporting policies that drive economic sustainability and equitable resource distribution, BPlant is optimistic that this initiative will have a positive long-term impact on the plantation industry.

Additionally, BPlant affirms that its business effectiveness and performance will not be impacted as it has been utilising diesel fuel at commercial rates for all its operations. The removal of the diesel subsidy, therefore, will not have any direct impact on the Group, apart from the broader benefits provided in terms of sustainable economic growth and advancement of the overall economy.

BPlant Chief Executive Officer Datuk Zulkarnain Md Eusope said, “BPlant is dedicated to supporting initiatives that promote sustainable business and economic growth. Additionally, the diesel subsidy rationalisation programme will benefit smallholders who rely on private vehicles for fresh fruit bunches (FFB) transportation to BPlant’s palm oil mills. The Group fully supports the Government’s efforts to ensure the well-being and business continuity of these crucial partners in the palm oil industry.”

“By rationalising diesel subsidies, this not only promotes sustainable economic growth but also safeguards the interests of our valued smallholder partners, who are integral to the success of the palm oil industry,” he added.

As a company that sources a portion of its FFB from smallholders, BPlant recognises the pivotal role of small farmers and plantation smallholders in the agriculture and commodity industry. In 2023, approximately 15% of the Group’s processed FFB was sourced from outgrowers and smallholders operating in the vicinity of its mills, ensuring a stable and continuous income for this vital stakeholder group.

Forward looking statements

This release may contain certain forward-looking statements with respect to the financial conditions, results of operations and business of the Group and certain plans and objectives of Boustead Plantations Berhad with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

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