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If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent adviser immediately.

Bursa Malaysia Securities Berhad has not perused the Circular in respect of the proposed renewal of shareholders' mandate for the recurrent related party transactions of a revenue or trading nature prior to the issuance of the Circular

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RIMBUNAN SAWIT BERHAD

(Company No. 691393-U)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

in relation to the

**PROPOSED RENEWAL OF AND NEW SHAREHOLDER MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR
TRADING NATURE**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of form of proxy	:	Saturday, 23 May 2026 at 12.00 noon
Date and time of annual general meeting	:	Monday, 25 May 2026 at 12.00 noon
Place of annual general meeting	:	Level 2, North Wing Menara Rimbunan Hijau 101, Pusat Suria Permata Jalan Upper Lanang 96000 Sibu, Sarawak

This circular is dated 30 April 2026

DEFINITIONS

Except where the context otherwise requires, the following definitions and terms apply throughout this circular / statement:

“AGM”	Annual general meeting
“Board”	The Board of Directors of RSB
“Bursa Securities”	Bursa Malaysia Securities Berhad
“Companies Act”	The Malaysian Companies Act, 2016, as amended from time to time and any enactment thereof
“Directors”	The directors for the time being of RSB, and shall have the same meaning given in Section 2(1) of the Capital Markets and Services Act, 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a director or chief executive of RSB, its subsidiary or holding company
“FFB”	Fresh fruit bunches
“Group” or “RSB Group”	RSB and its subsidiaries
“Listing Requirements”	The Main Market Listing Requirements of Bursa Securities, as amended from time to time and any enactment thereof
“LPD”	3 April 2026, being the latest practicable date
“Major Shareholder”	Means a person who has an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those shares, is: (a) 10% or more of the total number of voting shares in the corporation; or (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation. Includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a major shareholder of RSB or any other corporation which is its subsidiary or holding company For the purpose of this definition, “interest in shares” shall have the same meaning given in Section 8 of the Companies Act
“Net Assets”	Net assets attributable to ordinary equity holders of RSB
“Persons Connected”	This shall have the same meaning as in Paragraph 1.01 of the Listing Requirements
“Proposed Shareholder Mandate”	Proposed Shareholders Mandate for the existing and new RRPT
“Related Party”	A director, major shareholder or person connected with such director or major shareholder. For the purpose of this definition, “director”, “major shareholder” and their person connected shall have the same meanings given as above
“Related Party Transaction”	A transaction entered into by the listed issuer or its subsidiaries which involves the interest, direct or indirect, of a related party
“RM”	Ringgit Malaysia

“RRPT”	A related party transaction which is recurrent, of a revenue or trading nature and which is necessary for day-to-day operations of RSB Group and which has been made or will be made by RSB Group at least once in three (3) years in the ordinary course of business of RSB Group
“RSB” or “the Company”	Rimbunan Sawit Berhad
“Shares”	Ordinary shares
“Shareholder Mandate”	Shareholder mandate pursuant to Paragraph 10.09 of the Listing Requirements

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. Words importing persons include corporations.

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act and used in this circular/statement shall have the meaning assigned to it under the Companies Act.

Any reference to a time of day shall be a reference to Malaysian time.

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RIMBUNAN SAWIT BERHAD

(Company No. 691393-U)

(Incorporated in Malaysia)

Registered office:

North Wing, Menara Rimbunan Hijau
101, Pusat Suria Permata
Jalan Upper Lanang
96000 Sibul, Sarawak

30 April 2026

Board of Directors:

Datuk Tiong Thai king	-	Non-Independent Non-Executive Chairman
Mr. Bong Wei Leong	-	Non-Independent Non-Executive Vice Chairman
Mr. Tiong Chiong Ong	-	Non-Independent Non-Executive Vice Chairman
Datuk Tiong Chiong Ie	-	Managing Director
Mr. Wong Ing Seng	-	Executive Director
Mr. Tiong Chiong Ee	-	Non-Independent Non-Executive Director
Datu Liaw Soon Eng	-	Independent Director
Ms. Lu Yieng Ping	-	Independent Director
Mr. Maurice Anak Joannes Giri	-	Independent Director

To : The Shareholders of Rimbunan Sawit Berhad

Dear Sir/Madam

PROPOSED RENEWAL OF AND NEW SHAREHOLDER MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the Company's AGM held on 29 May 2025, Board obtained Shareholder Mandate for RSB Group to enter into RRPT. The existing Shareholder Mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming AGM, which has been scheduled for 25 May 2026, unless it is renewed.

On 16 April 2026, the Company announced through Bursa Securities that the Board proposes to seek Shareholder Mandate for the existing and new RRPT at the AGM.

The purpose of this circular is to provide shareholders with details, effects and rationale pertaining to this proposal and to seek shareholders' approval for the resolution, which is to be tabled as ordinary resolution at the forthcoming AGM scheduled to be held on 25 May 2026.

2. BACKGROUND INFORMATION OF PROVISIONS IN THE LISTING REQUIREMENTS

Paragraph 10.09(2) of the Listing Requirements states that with regard to related party transactions which are recurrent, of a revenue or trading nature and which are necessary for day-to-day operations, the Company may seek a mandate from its shareholders, subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the Shareholder Mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholder Mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;

- (c) the Company’s circular to shareholders for the Shareholder Mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain Shareholder Mandate, the relevant related party must comply with the requirements set out in Paragraph 10.08(7) of the Listing Requirements; and
- (e) the Company must immediately announce to Bursa Securities when the actual value of a RRPT entered into by the Company, exceeds the estimated value of the RRPT disclosed in the circular by ten percent (10%) or more and the Company must include the information as may be prescribed by Bursa Securities in its announcement.

3. FEATURES OF THE PROPOSED SHAREHOLDER MANDATE

(a) Principal activities of RSB Group

RSB is principally an investment holding company whilst the subsidiaries are mainly involved in the cultivation of oil palm, processing of palm oil and other ancillary activities.

The subsidiaries of RSB as at LPD, with principal activities are as follows:

	Name of subsidiary	Effective equity interest held (%)	Principal activities
1.	R. H. Plantation Sdn Bhd (“RHP”)	100	Cultivation of oil palm and operation of palm oil mill
2.	Timrest Sdn Bhd (“TR”)	100	Cultivation of oil palm
3.	Rimbunan Sawit Management Services Sdn Bhd (“RSMS”)	100	Investment holding and provision of management services
4.	Nescaya Palma Sdn Bhd (“NP”)	100	Cultivation of oil palm
5.	Formasi Abadi Sdn Bhd (“FA”) - subsidiary of NP	100	Cultivation of oil palm
6.	Woodijaya Sdn Bhd (“WJ”)	100	Cultivation of oil palm
7.	Novelpac-Puncakdana Plantation Sdn Bhd (“NVP”)	100	Cultivation of oil palm
8.	Sastat Holdings Sdn Bhd (“SH”)	100	Cultivation of oil palm
9.	RSB Palm Oil Mill Sdn Bhd (“RSBPOM”)	100	Operation of palm oil mill
10.	RSB Lundu Palm Oil Mill Sdn Bhd (“RSB Lundu”)	100	Operation of palm oil mill
11.	Rajang Builders Sdn Bhd (“RB”)	100	General trading
12.	Rakantama Sdn Bhd (“RT”)	100	Insurance agency services
13.	Baram Trading Sdn Bhd (“BT”)	85	Cultivation of oil palm
14.	PJP Pelita Biawak Plantation Sdn Bhd (“PBW”)	85	Cultivation of oil palm
15.	Pelita-Splendid Plantation Sdn Bhd (“PSP”)	70	Cultivation of oil palm
16.	PJP Pelita Ekang-Banyok Plantation Sdn Bhd (“PEB”)	60	Cultivation of oil palm
17.	PJP Pelita Lundu Plantation Sdn Bhd (“PLD”)	60	Cultivation of oil palm
18.	PJP Pelita Ulu Teru Plantation Sdn Bhd (“PUT”)	60	Cultivation of oil palm
19.	Lumiera Enterprise Sdn Bhd (“LME”)	100	Dormant

	Name of subsidiary	Effective equity interest held (%)	Principal activities
20.	PJP Selangau Plantation Sdn Bhd (formerly known as PJP Pelita Selangau Plantation Sdn Bhd (“PSG”))*	100	Dormant
21.	Jayamax Plantation Sdn Bhd (“JYX”) *	100	Dormant

*Under liquidation process

(b) RRPT

In accordance to the Listing Requirements and the directive of Bursa Securities, RSB needs to seek Shareholder Mandate on RRPT.

These RRPT are all incurred in the Group’s normal course of business and the names of the companies (hereinafter referred as “Related Parties”), details of the RRPT, the names of Directors, Major Shareholders and Persons Connected with them who are interested in these RRPT are outlined on pages 4 to 19 of this circular.

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Name of Related Parties	Nature of RRPT	Names of Interested Directors, Interested Major Shareholders of RSB Group and Interested Persons Connected	Manner of relationship with the Related Parties as at LPD		Estimated value from 25 May 2026 to the date of next AGM (RM)	(A) Estimated value as disclosed in the preceding year's Circular to Shareholders dated 30 April 2025 (RM)	(B) Actual value transacted from 29 May 2025 to LPD (RM)
			Director	Shareholder			
Borneo Affluence Sdn Bhd	• FFB purchase by RSB Lundu	Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ¹ Tiong Chiong Ong ² Tiong Choon ^{1c} Pertumbuhan Abadi Asia Sdn Bhd ^{1k}	X √ X X	√ √ √ √	5,000,000.00	5,000,000.00	0.00
Wealth Ezy Sdn Bhd	• FFB purchase by RSB Lundu	Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ¹ Tiong Chiong Ong ² Tiong Choon ^{1c} Pertumbuhan Abadi Asia Sdn Bhd ^{1k}	X √ X X	√ √ √ √	8,000,000.00	8,000,000.00	99,155.75
Rona Hijau Sdn Bhd	• FFB purchase by RSB Lundu	Tiong Chiong Ong ² Timothy Tiong Ing Zun ^{2b} Pertumbuhan Abadi Asia Sdn Bhd ^{1k} Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ¹ Tiong Choon ^{1c} Leong Soon May ^{2a} Sarah Tiong Pei Xin ^{2c}	√ √ X X X √ √	√ X √ √ √ X X	15,000,000.00	15,000,000.00	2,203,130.41
Seamless Bounty Sdn Bhd	• FFB purchase by RSB Lundu	Tiong Chiong Ong ² Tiong Choon ^{1c} Pertumbuhan Abadi Asia Sdn Bhd ^{1k}	√ √ X	√ √ √	5,000,000.00	2,000,000.00	853,614.33
Ezy Saga Sdn Bhd	• FFB purchase by RSB Lundu	Tiong Chiong Ong ² Timothy Tiong Ing Zun ^{2b} Pertumbuhan Abadi Asia Sdn Bhd ^{1k} Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ¹ Tiong Choon ^{1c} Leong Soon May ^{2a}	√ √ X X X √	√ X √ √ √ X	2,000,000.00	2,000,000.00	0.00
Masian Jaya Sdn Bhd	• FFB purchase by RSB Lundu	Tiong Chiong Ong ² Timothy Tiong Ing Zun ^{2b} Pertumbuhan Abadi Asia Sdn Bhd ^{1k} Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ¹ Tiong Choon ^{1c} Leong Soon May ^{2a}	√ √ X X X √	√ X √ √ √ X	5,000,000.00	2,000,000.00	57,720.46

Name of Related Parties	Nature of RRPT	Names of Interested Directors, Interested Major Shareholders of RSB Group and Interested Persons Connected	Manner of relationship with the Related Parties as at LPD		Estimated value from 25 May 2026 to the date of next AGM (RM)	(A) Estimated value as disclosed in the preceding year's Circular to Shareholders dated 30 April 2025 (RM)	(B) Actual value transacted from 29 May 2025 to LPD (RM)
			Director	Shareholder			
Sinar Tiasa Sdn Bhd	<ul style="list-style-type: none"> • Rental of Property, Plant & Equipment • Details of rental involved* -R.H.Plantation Sdn Bhd Lot 56,58,59,65, Bok Land District (6,172.00Ha) Model SY75C: (01.03.2024-28.02.2027) Model SY135C: (01.03.2024-31.08.2027) -Nescaya Palma Sdn Bhd Lot 13, Buloh Land District (4,127.00 Ha) - Timrest Sdn Bhd Lot 1, Blk7, Lot 64, 93, Sawai Land District (7,490.80Ha) Model SY75C: (01.05.2024-30.04.2027) Model SY135C: (01.05.2024-31.10.2027) Model PC78US-8 (16.06.2024-15.06.2027) -PJP Pelita Ekang Banyok Plantation Sdn Bhd NCR Land Located Long Ekang and Long Banyok, Miri Division (2,203.00Ha) Model SY75C: (01.05.2024-30.04.2027) Model SY135C: (01.05.2024-31.10.2027) Model PC78US-8 (16.06.2024-15.06.2027) -PJP Pelita Ulu Teru Plantation Sdn Bhd NCR Land Located Ulu Teru Land, Miri Division, Sarawak (7,900.00Ha) Model Y75C: (16.05.2024-15.05.2027) Model SY135C: (16.05.2024-15.11.2027) 	Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ¹ Teck Sing Lik Enterprise Sdn Bhd ¹ⁱ Priharta Development Sdn Bhd ^{4a} Ronald Tiong Chiong Kai ³ Datuk Tiong Thai King ⁵ Tiong Chiong Ong ² Tiong Choon ^{1c} Dato' Sri Dr. Tiong Ik King ^{1f} Datuk Tiong Chiong Ie ⁴ Tiong Chiong Siong ^{4c} Fatherland Enterprise Sdn Bhd ^{5a} Tiong Chiong Hee ^{5b} Tiong Chiong Yong ^{5c} Tiong Jin Choo ^{4d} Datin Tiong Ching ^{1c} Dato' Tiong Ing ^{1c} Puan Sri Datin Ngu Yii Chuo ^{1a} Tiong Chiew ^{1c} ETI Blessed Holdings Sdn Bhd ^{1p} TC Blessed Holdings Sdn Bhd ^{1q} Biru-Hijau Enterprise Sdn Bhd ^{3a} Tiong Toh Siong Enterprises Sdn Bhd ^{1j} Bring Rich Incorporation Inc ^{6a} Tiong Chiong Ee ⁶ Tiong Kiong King ^{1d} Wong Ing Seng ⁷	X	√	10,000,000.00	10,000,000.00	3,177,446.55

*Frequency of rental payment: Monthly Tenancy agreement signed: Available

Name of Related Parties	Nature of RRPT	Names of Interested Directors, Interested Major Shareholders of RSB Group and Interested Persons Connected	Manner of relationship with the Related Parties as at LPD		Estimated value from 25 May 2026 to the date of next AGM (RM)	(A) Estimated value as disclosed in the preceding year's Circular to Shareholders dated 30 April 2025 (RM)	(B) Actual value transacted from 29 May 2025 to LPD (RM)
			Director	Shareholder			
Serin Plantation Sdn Bhd	<ul style="list-style-type: none"> FFB purchase by RSB Lundu 	Tiong Chiong Ong ² Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King ¹ Tiong Kiong King ^{1d}	√ X √	√ √ X	2,000,000.00	2,000,000.00	0.00

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Name of Related Parties	Nature of RRPT	Names of Interested Directors, Interested Major Shareholders of RSB Group and Interested Persons Connected	Manner of relationship with the Related Parties as at LPD		Estimated value from 25 May 2026 to the date of next AGM (RM)
			Director	Shareholder	
	<p>- Baram Trading Sdn Bhd Lot 14, 28&29 Blk 6 (2,793.50Ha) Located Telang Usang Land District Model:SY75C; SY135C (05'2025-04'2028)</p> <p>- PJP Pelita Ekang-Banyok Plantation Sdn Bhd NCR Land Located Long Ekang and Long Banyok, Miri Division (2,203.00Ha) Model STG170C-8 (03'2026- 02'2028) Model SSR120C-10S (03'2026- 02'2028)</p>				

*Frequency of rental payment: Monthly Tenancy agreement signed: Available

The new RRPT complies with the relevant provisions under Paragraph 10.09 (2) and Paragraph 3.1 of Practice Note 12 of the Main Market Listing Requirements. Sinar Tiasa Sdn. Bhd. is engaged in contract work and transportation services. The directors of Sinar Tiasa Sdn. Bhd. are Datuk Tiong Thai King, Tiong Hock Yiok and Wong Ing Seng and the substantial shareholder is Rimbunan Hijau Holdings Sdn. Bhd.

3. (c) Amount due and owing by related parties pursuant to RRPT

There is no outstanding amount due under the RRPT which exceeded the credit term as at LPD

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(e) **Review method or procedures for RRPT**

The Board has in place an internal control system, which includes review procedures and guidelines to ensure that transactions with Related Parties are undertaken on normal commercial terms not prejudicial to the interests of the minority shareholders. These procedures are in place to ensure that each major Related Party transactions are approved and reviewed by the Directors or authorized personnel, based on the prices and terms not more favourable to the Related Parties than those generally available to the public, on arm's length basis and are not to the detriment of the minority shareholders, giving due consideration to all circumstances of each transaction.

These procedures include the following:

- (i) Major Shareholders, Directors and key management personnel and their person connected shall promptly notify and declare the list of interested companies or of any interest by filing in the notification form before entering the transaction and pass to Company Secretary;
- (ii) Company Secretary will inform and pass a copy of duplicated notification form to Account Department;
- (iii) Accounts Department and Company Secretary to update the list of interested Major shareholders, Directors, key management personnel and their person connected as and when necessary to facilitate the identification of related party identity and relationship;
- (iv) The records are to be kept by Company Secretary to keep track of changes in the composition of the Directors and the Major Shareholders in RSB group. The shareholding of Related Parties in RSB group and pertaining to their interests in any corporation / partnership will be continuously monitored;
- (v) Conduct company search for new customer / supplier for information e.g. shareholders and directors;
- (vi) The details of the related parties mandated pursuant to the Shareholder Mandate will be circulated within RSB Group, including all the Major Shareholders and Directors of RSB Group, with notification that all Recurrent Transactions are required to be undertaken on terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders;
- (vii) To determine the competitive market price, fee or charges of materials, goods and services, market surveys will be conducted to gather information to make compare the prices, fees or charges quoted by third parties and Related Parties. It is the normal practice of RSB to purchase materials, goods or services from related parties when the prices, fees or charges are competitive with prices, fees or charges obtained from third parties. Other factors such as availability of raw material or resources, reliability of supply, delivery, services and quality of material or goods will also be taken into consideration for evaluation purposes;
- (viii) At least two (2) other contemporaneous quotations from unrelated third parties for similar products/services and/or quantities shall be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities.
In the event that quotations or comparative pricing from unrelated third parties cannot be obtained, the transaction price shall be determined basing on the normal margin for similar or comparable products but such that the transaction is not detrimental to the Company and its subsidiaries;
- (ix) Records shall be maintained by the Accounts Department to capture all RRPT to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to;
- (x) All RRPT will be captured within the Group's accounting system;
- (xi) All RRPT will be compiled at Group level on a quarterly basis;
- (xii) Details of RRPT made during the quarter and cumulative period shall be reviewed by management on a quarterly basis and to be tabled to Audit Committee on a quarterly basis for consideration and information;
- (xiii) The Audit Committee shall review, at least on a quarterly basis, all the RRPT. Audit Committee shall have the right to access information on the related parties and is entitled to the services of an independent advisor, if required, in the discharge of their duties;

- (xiv) Any conflict of interests situation that may arise within RSB and the Group, including any transaction, procedure or course of conduct that raises questions of management integrity shall be reported by the Audit Committee;
- (xv) Where any member of the Audit Committee is interested in any RRPT, that member shall abstain from deliberation and voting on any matter relating to any decisions to be taken by the Audit Committee with respect to such transactions; and
- (xvi) Where the transaction requires Audit Committee's approval, the notification form and all relevant information pertaining to their RRPT must be reviewed by the Chief Executive Officer or any person authorized by him. Thereafter, Company Secretary must be informed of the proposed transaction and such transaction will be tabled and deliberated by the Audit Committee and recommended to the Board of Director for approval. Interested parties must be abstained from deliberation and decision making at the Audit Committee meeting, Board of Director meeting and general meetings, where applicable.

(f) **Threshold of Authority**

The thresholds for the approval of RRPT within RSB Group are as follows:

Approving authority	Limit of authority per transaction
Purchasing unit	up to RM3,000
Senior Management	up to RM50,000
Managing Director	up to RM10 million
Audit Committee	Above RM10 million

In the event that the RRPT involved the interest of the Group managing Director, the Group Managing Director shall abstain from all deliberations and decision making relating to the affected RRPT and such RRPT shall be tabled for the approval of the Audit Committee.

None of the authorized personnel of the purchasing unit and Senior Management is person connected to the interest director and/or interest major shareholder.

(g) **Statement by Audit Committee**

The Audit Committee comprises the following Directors:

	Name of Members	Designation
1.	Lu Yieng Ping	Chairman
2.	Maurice Anak Joannes Giri	Member
3.	Datu Liaw Soon Eng	Member

The Audit Committee of RSB has seen and reviewed the method and/or procedures stated in point 3(e) on pages 22 to 23 of this circular and is of the view that the existing procedures, processes and guidelines are adequate and sufficient to monitor, track and identify RRPT in a timely and orderly manner. The Audit Committee also viewed that the method and/or procedures as stated in point 3(e) on pages 22 to 23 of this circular are sufficient to ensure that the RRPT are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of RSB.

The Audit Committee will review these processes, procedures and guidelines as and when needs arise to ensure all RRPT will be carried out on normal commercial terms which are not prejudicial to the interests of shareholders and on terms not more favourable to the related party than those generally available to the public and are not to the detriment of the minority shareholders of RSB.

4. EFFECTS OF THE PROPOSED SHAREHOLDER MANDATE

The Proposed Shareholder Mandate will not have any effect on the Net Assets per share, earnings per share, gearing of the Group, and share capital and substantial shareholders' shareholdings of RSB.

5. RATIONALE AND BENEFIT OF THE PROPOSED SHAREHOLDER MANDATE

The RRPT entered and to be entered into by RSB and the Group are all in the ordinary course of business. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time. These transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case by case basis before entering into such RRPT described herein to allow the Group to enter into such recurrent transactions made on an arm's length basis and on normal commercial terms not prejudicial to the interest of the shareholders and not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders.

RSB and the Group enter into RRPT to take advantage of efficiencies in business dealings, in particular competitive prices, shorter delivery time and reliability in source of materials, goods and services. These Related Parties have long-standing business relationships with RSB Group and the quality of the products have proven to meet the stringent requirements imposed by the Group.

By obtaining the Shareholder Mandate, and the renewal of the same on an annual basis, the need to convene separate general meetings from time to time to seek shareholders' approval for the entry by the Group into such RRPT will be eliminated. This will substantially reduce administrative time, inconvenience and expenses associated with the convening of such general meetings without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

The RRPT are intended to meet the business needs of RSB Group at the best possible terms. By transacting with the Related Parties, RSB Group would have an advantage of familiarity with the background, financial well-being and management of the Related Parties, thus enabling more informed commercial decisions to be made. In most dealings with the Related Parties, RSB Group and the Related Parties have a good understanding of each other's business needs thus providing a platform where all parties can benefit from conducting the RRPT.

These would ultimately benefit the Group and the shareholders by enhancing profitability and returns on shareholders' funds.

6. CONDITIONS OF THE PROPOSED SHAREHOLDER MANDATE

The Proposed Shareholder Mandate is conditional upon approval being obtained from the shareholders of the Company at the forthcoming AGM. The Proposed Shareholder Mandate is subject to annual renewal and will continue to be in force until:

- a. the conclusion of the next AGM of RSB at which the Proposed Shareholder Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- b. the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act [but must not extend to such extension as may be allowed pursuant to Section 340(4) of Companies Act]; or
- c. revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

A disclosure of a breakdown of the aggregate value of the RRPT conducted pursuant to the Proposed Shareholder Mandate during the financial year shall be made in the annual report where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1)(a) of the Listing Requirements, amongst others, based on the following information:

- the type of the RRPT made; and
- the names of the related parties involved in each type of the RRPT made and their relationship with RSB.

In addition, RSB is required to immediately announce to Bursa Securities when the actual value of a RRPT entered into by the Group exceeds the estimated value of the RRPT as outlined on pages 4 to 19 of this circular by ten percent (10%) or more.

7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The interested Directors, namely Datuk Tiong Thai King, Datuk Tiong Chiong Ie, Tiong Chiong Ong, Tiong Chiong Ee and Wong Ing Seng have abstained, and will continue to abstain from all board deliberations and voting in the board resolutions pertaining to the Proposed Shareholder Mandate.

These interested Directors, as named in immediate paragraph above, and the interested Major Shareholders namely, late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King, Pemandangan Jauh Plantation Sdn Bhd, Tiong Toh Siong Holdings Sdn Bhd, Tiong Toh Siong Enterprises Sdn Bhd, Teck Sing Lik Enterprise Sdn Bhd and Pertumbuhan Abadi Asia Sdn Bhd, and all Persons Connected with them, as mentioned on page 26 of this circular, will abstain from voting in respect of their direct and indirect shareholdings, on the resolution deliberating and approving the Proposed Shareholder Mandate at the AGM.

All the interested Directors and the interested Major Shareholders as named in the paragraphs above have undertaken to ensure that the Persons Connected with them shall also abstain from voting in respect of their direct and indirect shareholdings on the resolution deliberating and approving the Proposed Shareholder Mandate at the AGM.

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Based on the Record of Depositors as at LPD, the direct and indirect interests in the Company of the interested Directors, interested Major Shareholders and Persons Connected with them are outlined below:

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Interested Directors of RSB:				
Datuk Tiong Chiong Ie - <i>Directors of RSB, BT, PBW, PLD, PSG, RHP, TR, RSMS, NP, FA, WJ, JYX, NVP, SH, RSBPOM, RSB Lundu, RB, RT, PSP, and LME</i>	14,394,800	0.71	7,189,200 ^(a)	0.35
Tiong Chiong Ong - <i>Directors of RSB, RSMS, RHP, TR, LME, NP, WJ, JYX, NVP, FA, RSBPOM, RB, RT, RSB Lundu and SH</i>	6,611,908	0.32	326,714 ^(b)	0.02
Tiong Chiong Ee - <i>Director of RSB</i>	-	-	687,200 ^(c)	0.03
Wong Ing Seng - <i>Director of RSB, PBW, PSP, PEB, PUT, PLD, PSG, RSBPOM, RB, JYX, NP, SH, RHP and RT</i>	319,800	0.02	200,000 ^(d)	0.01
Datuk Tiong Thai King - <i>Directors of TR, JYX, NV, PEB, PUT and RHP</i>	-	-	-	-
Interested Directors of subsidiaries:				
Ronald Tiong Chiong Kai - <i>Directors of RSMS, TR, JYX, RHP, PEB, PLD, PSG, PUT, NP, RSB Lundu, BT, LME, FA, WJ, SH, PBW and PSP</i>	324,000	0.02	-	-
Interested Major Shareholders of RSB:				
Tiong Toh Siong Holdings Sdn Bhd	264,429,560	12.95	633,508,332 ^(e)	31.03
Tiong Toh Siong Enterprises Sdn Bhd	10,402,400	0.51	226,568,891 ^(f)	11.10
Pertumbuhan Abadi Asia Sdn Bhd	114,187,400	5.59	119,271,200 ^(g)	5.84
Late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King	2,400,000	0.12	1,351,203,971 ^(h)	66.18
Teck Sing Lik Enterprise Sdn Bhd	102,107,388	5.00	157,939,300 ⁽ⁱ⁾	7.74
Pemandangan Jauh Plantation Sdn Bhd	526,955,544	25.81	-	-
Persons Connected:				
Puan Sri Datin Ngu Yii Chuo*	2,400,000	0.12	-	-
Tiong Choon*	1,470,000	0.07	7,214,400 ^(j)	0.35
Dato' Sri Dr. Tiong Ik King*	-	-	-	-
Ko Yeu Ying*	-	-	-	-
Rimbunan Hijau (Sarawak) Sdn Bhd*	15,686,400	0.77	-	-
Leong Soon May*	280,714	0.01	-	-
Timothy Tiong Ing Zun*	40,000	#0.00	-	-
Sarah Tiong Pei Xin*	6,000	#0.00	-	-
Priharta Development Sdn Bhd*	-	-	-	-
Tiong Chiong Siong*	-	-	-	-
Tiong Jin Choo*	-	-	-	-
Fatherland Enterprise Sdn Bhd*	-	-	-	-
Tiong Chiong Hee*	-	-	-	-
Tiong Chiong Yong*	-	-	-	-
Tiong Kiong King*	-	-	-	-
Ngu Ley Yieng*	200,000	0.01	-	-
Bring Rich Corporation Inc - <i>connected with Tiong Chiong Ee</i>	-	-	-	-
Dato' Tiong Ing - <i>daughter of late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	1,191,500	0.06	-	-
Tiong Chiew - <i>daughter of late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	1,155,800	0.06	-	-
Datin Tiong Ching - <i>daughter of late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	459,400	0.02	-	-
Rimbunan Hijau General Trading Sdn Bhd - <i>connected with late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	-	-	-	-
TC Blessed Holdings Sdn Bhd - <i>connected with late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	7,214,400	0.35	-	-
ETI Blessed Holdings Sdn Bhd - <i>connected with late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	-	-	-	-
Ladang Hijau (Sarawak) Sdn Bhd - <i>connected with late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	37,052,788	1.81	-	-
Rejang Height Sdn Bhd - <i>connected with late Tan Sri Datuk Sir Diong Hiew King @ Tiong Hiew King</i>	63,345,591	3.10	-	-
Vital Focus Properties Sdn Bhd - <i>connected with Tiong Chiong Ie</i>	7,189,200	0.35	-	-
Greenwell Investment Limited - <i>connected with Tiong Chiong Ee</i>	687,200	0.03	-	-
Biru-Hijau Enterprise Sdn Bhd - <i>connected with Ronald Tiong Chiong Kai</i>	-	-	-	-

* Please refer to table shown on page 21 of this circular for their relationships.

Less than 0.01%

- (a) Deemed interest by virtue of his interest in Vital Focus Properties Sdn. Bhd. pursuant to Section 8 of the Companies Act.
- (b) Deemed interested by virtue of the interest of his spouse and son in the Company.
- (c) Deemed interest by virtue of his interest in Greenwell Investment Limited pursuant to Section 8 of the Companies Act.
- (d) Deemed interested by virtue of the interest of his spouse in the Company.
- (e) Deemed interested by virtue of its interests in Pemandangan Jauh Plantation Sdn Bhd, Ladang Hijau (Sarawak) Sdn Bhd and Multi Greenview Sdn Bhd pursuant to Section 8 of the Companies Act.
- (f) Deemed interested by virtue of his interests in Rimbunan Hijau Southeast Asia Sdn Bhd, Kendaie Oil Palm Plantation Sdn Bhd, Rejang Height Sdn Bhd, Kinta Hijau Sdn Bhd and Rimbunan Hijau (Sarawak) Sdn Bhd pursuant to Section 8 of the Companies Act.
- (g) Deemed interested by virtue of its interests in Rimbunan Hijau Southeast Asia Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd and Kendaie Oil Palm Plantation Sdn Bhd pursuant to Section 8 of the Companies Act.
- (h) Deemed interested by virtue of his interests in Tiong Toh Siong Holdings Sdn Bhd, Teck Sing Lik Enterprise Sdn Bhd, Tiong Toh Siong Enterprises Sdn Bhd, Pertumbuhan Abadi Asia Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd, Rimbunan Hijau (Sarawak) Sdn Bhd, Kendaie Oil Palm Plantation Sdn Bhd, Pemandangan Jauh Plantation Sdn Bhd, Ladang Hijau (Sarawak) Sdn Bhd, Rejang Height Sdn Bhd, Multi Greenview Sdn Bhd and Kinta Hijau Sdn Bhd pursuant to Section 8 of the Companies Act.
- (i) Deemed interested by virtue of its interests Tiong Toh Siong Enterprises Sdn Bhd, Rimbunan Hijau Southeast Asia Sdn Bhd and Kinta Hijau Sdn Bhd pursuant to Section 8 of the Companies Act.
- (j) Deemed interested by virtue of her interest in TC Blessed Holdings Sdn Bhd pursuant to Section 8 of the Companies Act.

Save as disclosed above, none of the other Directors, Major Shareholders and/or Persons Connected with them have any interest, direct or indirect, in the Proposed Shareholder Mandate.

8. RECOMMENDATION BY DIRECTORS

Your Directors, namely Bong Wei Leong, Datu Liaw Soon Eng, Lu Yieng Ping and Maurice Anak Joannes Giri (being other than the named Directors who are interested in the Proposed Shareholder Mandate as disclosed on page 26 of this circular) having considered all aspects of the Proposed Shareholder Mandate, are of the opinion that it is in the best interests of the Company and hereby recommend that shareholders vote in favour of the ordinary resolution at the AGM.

9. ANNUAL GENERAL MEETING

The AGM will be held at Level 2, North Wing, Menara Rimbunan Hijau, 101, Pusat Suria Permata, Jalan Upper Lanang, 96000 Sibu, Sarawak on 25 May 2026 at 12.00 noon and any adjournment thereof for the purpose of considering and, if thought fit, passing the ordinary resolution set out in the notice of AGM, a copy of which is enclosed in the Annual Report 2025.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

If a shareholder is unable to attend the AGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of RSB at North Wing, Menara Rimbunan Hijau, 101, Pusat Suria Permata, Jalan Upper Lanang, 96000 Sibu, Sarawak not later than 12.00 noon on 23 May 2026. The completion and return of the form of proxy by a shareholder will not prevent him from attending and voting at the AGM in person, if he so wishes.

11. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix A for further information.

Yours faithfully

FOR AND ON BEHALF OF THE BOARD

Lu Yieng Ping

Independent Director

FURTHER INFORMATION

APPENDIX A

1. Responsibility Statement

This circular has been seen and approved by the Directors of RSB and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. Material Contracts

As at the LPD, save as disclosed below, RSB or its subsidiaries has not entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years immediately preceding the date of this circular:

On 13 January 2026, Rimbunan Sawit Berhad (“RSB”)’s wholly-owned subsidiary, Sastat Holdings Sdn. Bhd. (“SHSB”) had entered into a Sale and Purchase Agreement (“S&P”) with Trinity Capital Resources Sdn. Bhd. (“TRCSB”, “TRCSB” or the “Purchaser”) to dispose of a parcel of land situated at Batang Baram, Baram in the Miri division of Sarawak measuring approximately 1,504 hectares and described as Lot 205 Teraja Land District (“Sastat Estate”) for a cash consideration of RM28.0 million (“Disposal Consideration”).

- (i) The sale and purchase of the Sastat Estate shall be conditional upon the following conditions precedent being fulfilled:
 - (a) the consent in writing of the Director of Lands and Surveys for the transfer of Sastat Estate to TRCSB in compliance with the restriction in interest expressed in the Provisional Lease of Sastat Estate;
 - (b) the consent in writing of the Superintendent of Lands and Surveys for the transfer of Sastat Estate to TRCSB in accordance with section 31 of the Sarawak Land Code;
 - (c) the consent in writing of the Director of Lands and Surveys for the charge of Sastat Estate to the bank or financial institution granting a loan to TRCSB to part finance the purchase of Sastat Estate, in compliance with the restriction in interest expressed in the Provisional Lease of Sastat Estate;
 - (d) all such other approvals, consents or authorizations from the relevant authorities or parties.
- (ii) The conditions precedent shall be fulfilled within 6 months from the date of the Disposal SPA, or such other extended period as SHSB and TRCSB may mutually agree upon in writing.
- (iii) SHSB shall at its own costs and expenses, use its best endeavours to do all things including taking all steps necessary to fulfil or procure the fulfilment of the conditions precedent in paragraph 2.1(a) and (b) above.
- (iv) TRCSB shall at its own costs and expenses, use its best endeavours to do all things including taking all steps necessary to fulfil or procure the fulfilment of the condition precedent in paragraph 2.1(c) above. TRCSB may waive the fulfilment of such condition precedent if it is not required or applicable, including where TRCSB is not obtaining, or does not intend to obtain, a loan to part finance its purchase of Sastat Estate.
- (v) The date upon which all of the conditions precedent have been fulfilled shall be the “Unconditional Date” and the Disposal SPA shall become unconditional on the Unconditional Date.

- (vi) If the conditions precedent is not fulfilled within the Conditional Period or the Extended Conditional Period, as the case may be, the following will take place:
- (a) SHSB shall refund all monies paid by TRCSB, including the Deposit, free of interest; and
 - (b) the Disposal SPA shall be deemed to be terminated and of no further force or effect and neither SHSB nor TRCSB shall have any further rights under the Disposal SPA except for any obligation which is expressed to apply after the termination of the Disposal SPA and any rights or obligations which were accrued arising from any breach of the Disposal SPA prior to such termination.
- (vii) If the conditions precedent has been fulfilled or obtained but SHSB decides not to proceed to complete the Disposal SPA, SHSB shall refund the Deposit and pay a like sum to TRCSB as agreed liquidated damages and the Disposal SPA shall be terminated.

On 16 January 2026, 10% of disposal consideration has been paid to SHSB by TRCSB upon execution of the CSPA, of which 3% shall be retained by SHSB's solicitors as the retention sum for payment to the Director General of Inland Revenue as required under the Real Property Gains Tax Act, 1976 ("RPGT Act").

On 23 February 2026, the Director of Lands and Surveys has approved the application for consent to transfer of Sastat Estate to TRCSB in compliance with the restriction in interest expressed in the Provisional Lease of Sastat Estate and the consent in writing of the Superintendent of Lands and Surveys for the transfer of Sastat Estate to TRCSB in accordance with section 31 of the Sarawak Land Code.

On 16 March 2026, the application for permission to charge which was submitted by the Purchaser's financing bank – Hong Leong Bank Berhad – or their solicitors, has been approved.

On 17 March 2026, all the conditions precedent for the Proposed Disposal under the Disposal SPA have been fulfilled, or where applicable, deemed fulfilled. Pursuant thereto, the Disposal SPA has become unconditional on 17 March 2026.

On 27 March 2026, assessed RPGT amount of RM316,429.00 has been remitted to LHDN by the TRCSB's solicitors and the surplus amount of RM523,571.00 has been released to SHSB on 30 March 2026.

The sale proceeds and the breakdown of utilization are tabulated as below:

No.	Purposes	Proposed Utilization (RM'000)	Actual Utilization (RM'000)	Intended Time-Frame
1.	Working capital purposes, including defraying expenses in connection with the Proposed Disposal, and for investment and development of viable potential estate	28,000	2,800	31 December 2026
	Total	28,000	2,800	

3. Material Litigation

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

Timrest Sdn Bhd ("**TSB**"), a wholly-owned subsidiary of RSB, has filed an application for judicial review at the Kuala Lumpur High Court ("**Court**") vide Court No. WA-25-22-01/2021, to challenge the notices of assessments for the years of assessment 2012, 2014 and 2015, and the notices of additional assessment for the years of assessment 2010, 2011, 2013, 2016 and 2017, all of which are dated 23 December 2020 (collectively, the "**Assessments**") and amounting to a total claim of RM56,329,111.14.

In the application, TSB applied for an order for Menteri Kewangan Malaysia to exercise its powers under section 135 and/or section 127(3A) of the Income Tax Act, 1967 ("**ITA**") to set aside the Assessments. TSB also applied for a declaration that the gains arising from TSB's disposal of cultivation rights of an oil palm plantation with a gross licenced area of 15,017 hectares located within the Samarahan and Sri Aman divisions in Sarawak ("**Simunjan Estate**") in the year of assessment 2018 are subject to the RPGT Act, and an order that all further proceedings in relation to the Assessments, including the enforcement and effect, be stayed until the judicial review application has been determined.

The Assessments arose as a result of the contention of the Director General of Inland Revenue ("**DGIR**") that the disposal of cultivation rights under the licence for planted forests (which was granted by the Director of Forests to Rejang Height Sdn Bhd, being one of the subsidiaries within RSB Group, in 2004 which allows the licensee to establish, develop and maintain the Simunjan Estate for a period of 60 years expiring on 21 March 2064 in the manner as specified in the tree planting plan therein and to harvest the same, and undertake oil palm planting activities for a period of 25 years expiring on 21 March 2029, after which, the Simunjan Estate must be planted with trees other than oil palm ("**Licence**")) in 2018 rendered TSB engaging in an adventure or concern in the nature of trade, and hence, the disposal was therefore subject to income tax under the ITA instead of real property gains tax under the RPGT Act. The claim of agriculture allowance under Schedule 3 of the ITA on the expenditure incurred on planting activities arising from the Simunjan Estate was consequently disallowed for the years of assessment 2010 to 2017.

TSB has filed an appeal to the Court of Appeal against the Court's decision in dismissing TSB's application for leave to commence judicial review on 28 November 2023. During the case management on 26 February 2024, the Court of Appeal has directed the parties to attend case management on 13 May 2024 to provide an update on the status of filing of the supplementary record of appeal, including the grounds of judgment and the notes of proceedings.

Meanwhile, TSB has filed an appeal to the Special Commissioners of Income Tax ("**SCIT**") on the issue of penalty, as to whether the DGIR has any legal or factual basis to impose penalty against TSB for the years of assessment 2010 to 2017 under section 113(2) of the ITA. The trial for this appeal has been fixed on 1 July 2024 and 2 July 2024.

Further, TSB has filed an application for a stay of proceedings in respect of the Assessments including as to its enforcement until the full and final determination of TSB's appeal before the SCIT and/or TSB's appeal to the Court of Appeal against the Court's decision. On 27 November 2023, the Court granted an interim stay until the full disposal of TSB's application for stay of proceedings. This means that the disputed taxes arising from the Assessments do not have to be paid until TSB's application for a stay of proceedings is heard and decided. There is no specified timeline for the interim stay to expire, but it will remain in effect until the Court renders its decision on TSB's application for stay of proceedings.

The solicitors having conduct of this matter have advised the Board that TSB has an arguable case for the reasons that there are no legal or factual basis to subject the gains arising from TSB's disposal of cultivation rights under the Licence at the Simunjan Estate in 2018 to section 4(a) of the ITA, and to disallow TSB's claim for agriculture allowance upon the expenditure incurred on planting activities at the Simunjan Estate despite TSB having satisfied all the requirements listed under Paragraph 7, Schedule 3 of the ITA and the Public Ruling No. 1/2016 of the Inland Revenue Board of Malaysia. The solicitors have also advised the Board that TSB has an arguable case for appeal on the grounds that the DGIR has neither legal nor factual basis to impose penalty against TSB under section 113(2) of the ITA.

On 20 March 2024, it was fixed for the CM (WA-25-22-01/2021) for Enclosure 69 (The Applicant's Application for Stay of Proceedings) to reschedule the hearing date previously fixed for 11 June 2024 due to the court's vacation. Upon discussion between parties, the Court has given the following instructions that parties to attend the hearing for Enclosure 69 before YA Dato' Ahmad Kamal bin Md. Shahid via Zoom on 27 June 2024, 10 – 11 am, parties to file and serve written submissions (BM/BI) in the form of PDFs simultaneously on/before 31 May 2024; and parties to file and serve written submissions in reply (BM/BI) in the form of PDFs simultaneously on/before 14 June 2024.

On 13 May 2024, it was fixed for CM (W-01(IM)-641-12/2023) for Enclosure 1 (Appeal to the Court of Appeal). The Appellant's Counsel informed the Court that the supplementary Record of Appeal, inclusive of the Grounds of Judgment and Notes of Proceedings, was filed in Enclosure 12 on 8 March 2024. In light of similar appeals filed to the Court of Appeal, wherein YA Dato' Ahmad Kamal dismissed the leave application by the taxpayers to commence judicial review, the Court has directed parties to attend case management on 30 May 2024 to confirm if the appeals are to be fixed for the same hearing date, and also to update the status of the appeals.

On 30 May 2024, it was fixed for CM (W-01(IM)-641-12/2023) for Enclosure 1 (Appeal to the Court of Appeal). The Appellant's Counsel informed the Court that the Record of Appeal, inclusive of the Grounds of Judgment and the Notes of Proceedings, has not been filed. The Appellant's Counsel forwarded the draft Notes of Proceedings to the AGC, but there has been no response as of today. The Court took note of the above and directed the parties to attend case management on 12 September 2024 for the purposes of coordinating the related appeals, in view of the date of decision for tax appeals which has been fixed for 6 September 2024.

On 11 June 2024, it was fixed for mention (MOF.PKCP.700-7/1/1486-1593). The SCIT vacated the trial initially fixed for 1 July 2024 and 2 July 2024 without providing any reasons. The SCIT then directed the trial has been rescheduled to 21 August 2024 and 22 August 2024, 9.30am at MOF Putrajaya; and parties to file witness statement 2 weeks before the trial.

On 27 June 2024, it was fixed for the hearing of the stay application in Enclosure 69 (The Applicant's Application for Stay of Proceedings) (WA-25-22-01/2021). The Applicant's counsel informed the Court that the leave to commence judicial review was dismissed, and the decision for the appeal before the Court of Appeal on similar matters was fixed for 6 September 2024. Hence, the Applicant's counsel requested to have the stay application heard after the Court of Appeal's decision on similar matters. In response, the Intervener highlighted the "pay first, talk later" regime in Malaysia and requested the Applicant to propose a tax instalment payment plan pending the decision from the Court of Appeal. The Court acknowledged the above and instructed the parties to attend case management on 11 September 2024 and update the Court on the decision of the Court of Appeal and the proposed tax instalment plan.

On 21 August 2024, it was fixed for the trial (MOF.PKCP.700-7/1/1486-1593). The Appellant's 1st and 2nd witnesses completed examination-in-chief (EIC), cross-examination and re-examination. While the Appellant's 3rd witness completed his examination-in-chief. The matter is adjourned to the next day at 9 am.

On 22 August 2024, it was fixed for the trial (MOF.PKCP.700-7/1/1486-1593). The Appellant's 3rd witness completed his cross-examination and re-examination. The Respondent's witness completed its examination-in-chief, cross-examination, and re-examination. The Court instructed the Appellant to file written submission on 23 September 2024; the Respondent to file written submission on 21 October 2024; the Appellant to file written submission in reply on 28 October 2024; parties to attend clarification on 14 November 2024 (afternoon); and parties to attend decision on 29 November 2024 (morning).

Additionally, the IRB conceded the following issues:

- (i) Issue 1 – Time Bar
- (ii) Issue 3 – Agricultural Allowance
- (iii) Issues 4 & 5 – Deductibility of Charter Fees & Invocation of Section 140 of the ITA
- (iv) Issue 6 – Penalty for the YAs 2010 to 2016

The only issue in dispute is Issue 2, concerning the taxability of gains arising from the disposal of agricultural rights at the Simunjan Estate, and its corresponding penalty for the YA 2017.

On 6 September 2024, it was fixed for case management (W-01(IM)-641-12/2023) for Enclosure 1 (Appeal to the Court of Appeal). The Court directed the parties to attend case management on 27 November 2024 while pending the decision of bulk leave appeal before the Court of Appeal.

On 11 September 2024, it was fixed for case management (WA-25-22-01/2021) to update the status of the COA Appeal. The Applicant's counsel informed the Court that the next CM for the appeal before the Court of Appeal was fixed for 12 September 2024 and the parties agreed to have the stay application heard after the decision from the Court of Appeal on similar matters. The Applicant's counsel also informed the court that the Applicant had requested a meeting to discuss tax instalment plan via a letter dated 11 July 2024 and we are now awaiting a reply. The Intervenor confirmed the same and informed the court that this is pending approval from the superior. The Court took note of the above and instructed the parties to attend case management on 23 September 2024 and update the Court on the decision of the Court of Appeal as well as the tax instalment plan.

On 23 September 2024, it was fixed for CM (WA-25-22-01/2021) to update the Court on the status of the COA Appeal and the instalment proposal. The Applicant's counsel informed the Court the Applicant submitted a request for a discussion for the instalment plan with the Intervenor on 11 July 2024. However, there has been no response from the Intervenor. The Applicant's counsel further requested three months from the Court to update the Court on the status of the appeal before the Court of Appeal and the outcome of the discussion between the parties. The Court noted the above and instructed the following:

- (a) The written submissions for the stay application are complete. The parties agree that the stay application will be adjourned until the disposal of the Applicant's appeal at the Court of Appeal, which was fixed for 25 November 2024;
- (b) Parties are to attend case management via e-review to update the Court on the status of the COA appeal and the discussion on 17 December 2024.

On 28 October 2024, the Respondent has served their written submission on 26 October 2024. As a result of this delay, the SCIT (MOF.PKCP.700-7/1/1486-1593) has granted new dates for the following:

- (a) Appellant file written submission: 15 November 2024
- (b) Clarification: 29 November 2024
- (c) Decision: 20 December 2024

On 27 November 2024, it was fixed for CM (W-01(IM)-641-12/2023) for Enclosure 1 (Appeal to the Court of Appeal). The Appellant informed the Court that the decision for bulk leave appeal has been rescheduled to 19 December 2024. The Court took note and directed the parties to attend CM on 3 January 2025 to get further instructions.

On 27 November 2024, it was fixed for clarification (MOF.PKCP.700-7/1/1486-1593). The Appellant's counsel submitted the following:

- (a) The subject matter of the disposal in the present matter was agricultural rights, not the Simunjan Estate. There was no SPA nor MOT indicating any transfer of land. Moreover, the Simunjan Estate is not a titled land, meaning the Appellant could not have owned or disposed of the estate. During cross-examination, RW1 admitted that the Appellant disposed of the Agricultural Rights rather than Simunjan Estate;
- (b) Reference was made to two similar precedents involving transfer of rights:
 - (i) SE Sdn Bhd v Ketua Pengarah Hasil Dalam Negeri: The SCIT ruled that the gains from the transfer of rights were capital in nature and subject to RPGT
 - (ii) Keysight Technologies Malaysia Sdn Bhd v Ketua Pengarah Hasil Dalam Negeri: The Court of Appeal held that gains arising from the disposal of IP rights, which were treated as intangible assets, were capital in nature and not subject to income tax;
- (c) The Court of Appeal decision in Kind Action Sdn Bhd v Ketua Pengarah Hasil Dalam Negeri was cited. The issue of double taxation arose when the Respondent issued Form JA despite the prior issuance of Form K under the Real Property Gains Tax Act 1976 ("RPGTA"). The Appellant's counsel highlighted that the Federal Court recently dismissed the Inland Revenue Board's appeal, thereby upholding the Court of Appeal's decision;
- (d) Form JA should have been raised for the YA 2018, not the YA 2017, as the condition precedent was only completed in 2018; and
- (e) There are no badges of trade evident in the present appeal.

In response, the Respondent's counsel argued that:

- (a) The Appellant disposed of the Simunjan Estate granted under LPF/0035. Reference was made to the consideration of RM150 million stated in both Form CKHT 1A and the Agreement between RSB and the Appellant;
- (b) There was no double taxation since the Respondent had issued Form KR to the Appellant earlier;
- (c) The Respondent sought to distinguish the cited precedents:
 - (i) In SE Sdn Bhd, the income involved rental income from fixed assets, whereas the present case involves business income from the sale of fresh fruit bunches from the Simunjan Estate;
 - (ii) In Keysight, there was no alteration to the IP, and no time-bar issue was raised, making it materially different from the present appeal.
- (d) There were badges of trade in the present matter, including an intention to trade and a short holding period.
- (e) There were badges of trade in the present matter, including an intention to trade, alteration and developments on the Simunjan Estate, and a short holding period.

The Appellant's counsel rebutted that the Agricultural Rights were disposed of due to extenuating financial distress. Furthermore, it was clarified that the disposal of the Agricultural Rights to RSB and the subsequent disposal by RSB to Tiasa Mesra was a back-to-back transaction.

The Court instructed the parties to attend the decision on 10 January 2025.

On 17 December 2024, it was fixed for case management (WA-25-22-01/2021) to update the status of the COA Appeal. The Applicant's counsel informed the Court that the next Case Management for the appeal before the Court of Appeal was fixed for 19 December 2024. The Court instructed the parties to attend case management via e-review on 9 January 2025 to update the Court on the decision of the Court of Appeal.

On 19 December 2024, it was fixed for Case Management (W-01(IM)-641-12/2023) for Enclosure 1 (Appeal to the Court of Appeal). The parties informed the Court that the COA had ruled in favour of the taxpayers for the bulk leave appeal and granted leave for Judicial Review on 19 December 2024. The parties also informed the Court that the AGC may file a motion for leave to appeal against the said decision. The Court took note and directed the parties to attend CM on 6 February 2025 to update status of the AGC's appeal to the Federal Court.

On 9 January 2025, it was fixed for CM (WA-25-22-01/2021) to update the Court on the status of the COA Appeal. The Applicant's counsel informed the Court that the Court of Appeal dismissed the AGC's appeal against the High Court's decision in granting leave to commence judicial review. By consent, it was agreed by the parties that:

- i. the substantive hearing of all the judicial review applications in the High Court be stayed pending the filing of leave application in the Federal Court by the Attorney General Chambers; and
- ii. the disposal of such leave application e-filed, and if such application is not filed within the time period stipulated then the stay herein lapsed and the substantive hearing of judicial review will proceed in the High Court.

The Court noted the above and instructed the parties to proceed with the stay application instead.

In this regard, the Court gave the following instructions:

- i. To attend physical hearing on 9 July 2025, 10am;
- ii. To file written submission in PDF copyable format on or before 6 June 2025 and serve it on the same day;
- iii. To file written submission in reply in PDF copyable format on or before 27 June 2025 and serve it on the same day;
- iv. Parties must bring physical copy of the written submissions for the purpose of the hearing;
- v. Any application to change the submission date must be made in writing and filed to EFS system to obtain the Court's permission. The application letter should copy all other parties, including their email addresses, and indicate whether the parties agree or disagree with the application.

On 10 January 2025, it was fixed for Decision (MOF.PKCP.700-7/1/1486-1593).

The judgment delivered by the Court was as follows:

- (a) Several issues were withdrawn during the trial, i.e., the eligibility for agricultural allowance, the deductibility of the charter fee, and the corresponding penalties for these issues;
- (b) The only issue that proceeded to trial was the taxability of gains arising from the disposal of agricultural rights at the Simunjan Estate for the YA 2017 under the Income Tax Act 1967 (“ITA”), along with the corresponding penalty imposed under Section 113(2) of the ITA;
- (c) Upon examining the written submissions by both parties, witness statements, and documentary evidence, the Court found:
 - (i) This issue pertained to the disposal of agricultural rights rather than property. Hence, the disposal should be considered a capital transaction, not a trading activity;
 - (ii) There was no intention to trade, as the agricultural rights were held as an investment to generate income;
 - (iii) Improvements made to the estate were functional necessities; and
 - (iv) Financial considerations warranted the disposal of agricultural rights.

Based on the foregoing, the Appellant has successfully discharged its burden of proof under paragraph 13 of Schedule 5 of the ITA.

As such, the Court allowed the Appellant’s appeal, and the Form JA for the YA 2017 was set aside.

On 28 January 2025, the Inland Revenue Board filed and served its notice of appeal. At this stage, no action is required from us. We will await their index for the record of appeal and seek further instructions from the Court regarding the filing of written submissions.

On 6 February 2025, it was fixed for CM (W-01(IM)-641-12/2023) for Enclosure 1 (Appeal to the Court of Appeal). The Applicant’s counsel informed the Court that the AGC filed a notice of motion to appeal to the Federal Court. The Court took note and directed the parties to attend CM on 15 May 2025 to update the Court on the decision of the AGC’s notice of motion to appeal to the Federal Court.

On 13 February 2025, it was fixed for the first case management (WA-14-2-01/2025) for IRB’s appeal. The Appellant informed the Court that the Notice of Appeal was filed on 28 January 2025. The Court took note of the above and instructed parties to attend case management via e-review on 20 March 2025 for the Appellant to update on the filing of the record of appeal.

On 20 March 2025, it was fixed for case management (WA-14-2-01/2025) for the IRB’s appeal. The Appellant informed the Court that they have not obtained the Grounds of Judgment from the SCIT. The Court took note of the above and instructed parties to attend case management via e-review on 20.5.2025 for the Appellant to update on the filing of the supplementary record of appeal (grounds of judgment).

On 15 May 2025, the Company discontinues the following:

- (a) The judicial review application currently pending before the High Court (including the stay application) (Permohonan Semakan Kehakiman No.: WA-25-22-01/2021); and
- (b) The appeal to the Court of Appeal against the High Court’s decision to grant leave (Rayuan Sivil No.: W-01(IM)-641-12/2023).

On 20 May 2025, it was fixed for case management (WA-14-2-01/2025) for the IRB’s appeal. The Appellant informed the Court that they have not obtained the Grounds of Judgment from the SCIT. The Court took note of the above and instructed parties to attend case management via e-review on 21 July 2025 for the Appellant to update on the filing of the supplementary record of appeal (grounds of judgment).

On 26 May 2025, we have filed the Notices of Discontinuance at both the High Court (WA-25-22-01/2021) and the Court of Appeal (W-01(IM)-641-12/2023). Accordingly, the judicial review application and the appeal at the Court of Appeal have been withdrawn and discontinued.

On 21 July 2025, it was fixed for case management (WA-14-2-01/2025) for the IRB’s appeal. The Respondent informed the Court that they have not obtained the Grounds of Judgment from the SCIT. The Court took note of the above and instructed parties to attend case management via e-review on 29 September 2025 for the Appellant to update on the filing of the supplementary record of appeal (grounds of judgment).

On 29 September 2025, it was fixed for case management (WA-14-2-01/2025) for the IRB's appeal. The Respondent informed the Court that they have not obtained the Grounds of Judgment from the SCIT. The Court took note of the above and instructed parties to attend case management via e-review on 23 December 2025 for the Appellant to update on the filing of the supplementary record of appeal (grounds of judgment).

On 28 October 2025, the Respondent's counsel informed the Court that they have yet to receive the Grounds of Judgment from the SCIT (WA-14-2-01/2025). The Appellant's counsel confirmed the Respondent's statement and informed the Court that the Appellant intends to argue one ground of appeal, namely taxability of gains arising from the disposal of Simunjan Estate, and penalty under Section 113(2) of the ITA. The Court took note of the above and directed as follows:

- (a) Parties to attend hearing on 19 August 2026 at 10 to 11am before YA Dato' Hajah Aliza binti Sulaiman (MTKL BKK1), Court M8, Level 5 (Right Wing);
- (b) Parties to file and serve written submissions simultaneously on/by 8 June 2026;
- (c) Parties to file and serve written submissions in reply simultaneously on/by 6 July 2026; and
- (d) Parties to file 1 copy of the Joint Scott Schedule (containing issues, Appellant's contentions and Respondent's contentions) on/by 27 July 2026.

Management believes, based on legal advice, that TSB has an arguable case to contend that the Respondent has exceeded its jurisdiction and acted illegally and unreasonably in failing to exercise its power under Section 135 of the ITA to provide directions to the DGIR and/or Section 127(3A) of the ITA to set aside or exempt the notices of additional assessment. Further, the DGIR's conduct in subjecting the gains arising from TSB's disposal of cultivation rights at the Simunjan estate to Section 4(a) of the ITA is without legal and factual basis. Therefore, no provision is required to be made in the financial statements.

R. H. Plantation Sdn. Bhd.

On 15 April 2024, R. H. Plantation Sdn Bhd, a wholly-owned subsidiary of Rimbunan Sawit Berhad received a demand letter from Louis Achuk & Co. Advocates who is acting on behalf of Mr. Sangau Anak Ebaiak trading under the name and style of Undi Enterprise to demand for outstanding sum of RM3.03 million (accumulating from January 2022 until February 2024) and shortchanged payment for Oil Palm Fresh Fruit Bunches (FFB).

On 23 May 2024, Mr. Sangau Anak Ebaiak trading under the name and style of Undi Enterprise ("Plaintiff") through Louis Achuk & Co. Advocates filed a suit against R. H. Plantation Sdn Bhd ("Defendant") in Miri High Court under Suit No. MYY-22NCC-2-5/2024 (HC).

On 31 May 2024, a sealed copy of the Writ of Summons [Encl.1] and Statement of Claim [Encl.2] both dated 23 May 2024 was duly served on the Defendant (Miri office).

On 1 July 2024, the matter MYY-22NCC-2-5/2024 (HC) came up for mention by way of e-review and it has been set for further mention on 1 August 2024 by way of e-review to monitor the exchange of pleadings.

On 10 July 2024, the Defendant through Sandhu Lee & Co. Advocates filed Defence [Encl.6] and a copy was served to the Plaintiff's Advocates on the same day. On 17 July 2024, the Plaintiff through its Advocates filed and served Reply to Defence [Encl.7].

On 1 August 2024, the Court has fixed the matter for pre-trial case management before his Lordship Justice Dean Wayne Daly on 4 September 2024 at 9.00 a.m. so as to give the further directions to parties for preparation of trial.

On 4 September 2024, it was fixed for pre-trial case management and the Court has set the following directions:

- i. Bundle of Pleadings to be filed on or before 4 October 2024;
- ii. Affidavit Verifying List of Documents, Bundle of Documents, Statement of Agreed Facts and Issues to be Tried respectively to be filed on or before 19 October 2024;
- iii. Witness Statements to be filed two weeks before the trial date;
- iv. Trial dates have been fixed on 10 to 14 March 2025 at 9.00 a.m.; and
- v. Final Management fixed on 20 January 2025 to monitor compliance of the directions.

On 23 January 2025, the matter came up for case management on 22 January 2025. During the mention of the case, the Plaintiff's counsel had requested forensic analysis to be done for the documents listed as per their letter dated 16 January 2025 and for the cost to be incurred jointly. We have objected to the proposal and thereafter the court directed the parties to discuss and decide on whether the forensic analysis can be done jointly within 14 days from the mention date. The Plaintiff was directed to write in a detailed proposal to us for the consideration. Further, the court has rescheduled the trial dates to 18 August 2025 to 22 August 2025 at 9am.

On 28 July 2025, the case scheduled for trial on 18 August 2025 to 22 August 2025 is being rescheduled to 6th to 10th July, 2026 at 9.00 a.m. and the witness statements to be filed two weeks before the trial dates, i.e. 22 June 2026.

Management has received legal advice suggesting that there is a reasonable argument to contest the Plaintiff's claim. Specifically, the Plaintiff had erroneously double-counted the quantity delivered. Hence, the Plaintiff's claim there is not bona fide and/or the Plaintiff will be unjustly enriched should be claim be allowed. Thus, no provision is required to be made in the financial statements.

4. Documents for Inspection

Copies of the following documents are available for inspection at the registered office of the Company at North Wing, Menara Rimbunan Hijau, 101, Pusat Suria Permata, Jalan Upper Lanang, 96000 Sibu, Sarawak following the publication of this circular from Mondays to Fridays (except public holidays) during business hours up to and including the date of the AGM :

- (a) the Constitution of RSB;
- (b) the audited financial statements of RSB and Group, for the financial year ended 31 December 2024 and 31 December 2025;
- (c) the material contract referred to in Section 2 above;
- (d) relevant cause papers in respect of the material litigation referred to in Section 3 of this Appendix A.