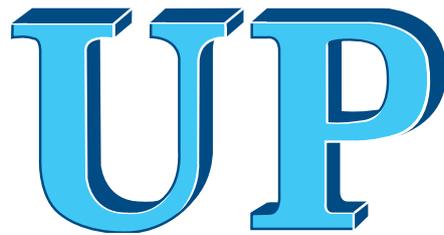


**United Plantations Berhad (“UP”) acquires 8,999 acres in Perak, Malaysia, from Pinehill Pacific Berhad’s group of companies (“Pinehill Group”) for RM413.57 million in cash**

The logo consists of the letters 'U' and 'P' in a bold, blue, serif font. The letters are three-dimensional, with a slight shadow on the right side, giving them a blocky appearance.

UNITED PLANTATIONS BERHAD

(Company no. 240-A)

Jendarata Estate • 36009 Teluk Intan • Darul Ridzuan • Malaysia

# United Plantations Berhad

UP has today entered into 3 conditional sales & purchase agreements with Pinehill Group to acquire their 8,999-acre agriculture land together with all structures attached to the land including a palm oil mill, employees' living quarters and site office ("Subject Properties"), located approximately 10 KM from Teluk Intan in lower Perak, Malaysia, for a sum of RM413.57 million equal to a transacted price per acre of approximately RM46,000. The acquisition will be funded through UP's internally generated funds.

The deal is expected to be completed by the first quarter of 2019 subject to approvals by the relevant authorities. The Subject Properties will thereafter be incorporated into UP's existing business.

"We have long been eying on this property due to its good accessibility which is located approximately 10 KM away from UP's headquarters in lower Perak and the acquisition is therefore a remarkable opportunity for our Group. As the acquired land is an old established plantation (brownfield land), UP will comply fully with its No Deforestation Policy and will also transform the Subject Properties to produce certified sustainable palm oil in accordance with the criteria of the Round Table on Sustainable Palm Oil (RSPO)", said UP's Chief Executive Director, Dato' Carl Bek-Nielsen.

"The acquisition will increase UP's land bank size in Malaysia by almost 10% and provide synergies by enhancing our economies of scale and facilitate a continuation of UP's core strength of cutting bureaucracy and providing a "hands on" management approach throughout our Group," said UP's Chief Executive Director, Dato' Carl Bek-Nielsen.

"The soil types are excellent and the land is flat, providing UP with the ability to mechanize the operations which is vital in respect of enhancing productivities and reducing costs. Within the next 3 years, UP will replant a majority of the acquired land and by introducing UP's high yielding planting materials combined with our total commitment towards enforcing sustainable practices, we will be able to increase the yields significantly on this 8,999-acre property within the next 4-6 years. Finally, we remain confident and committed to long term investments in Malaysia and especially in our home state of Perak where we have operated since 1906 and look forward to continue creating value for all stakeholders," said Dato' Carl Bek-Nielsen.

"A lot of work have gone into this and there have been many tough negotiations. Today I would like to thank my team headed by the Executive Director Finance & Marketing Mr Martin Bek-Nielsen and the Company Secretary Mr Ng Eng Ho together with our advisors who have diligently been working around the clock towards reaching this stage of the deal," said UP's Chief Executive Director, Dato' Carl Bek-Nielsen.

# United Plantations Berhad

## **Additional information about the acquisition**

For further information about the acquisition see: [www.bursamalaysia.com](http://www.bursamalaysia.com)

## **Additional information about UP**

UP is a medium sized plantation group in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. UP's business activities are focused on sustainable cultivation of oil palm and coconuts. Its total cultivated land bank covers 47,819 hectares spread over Malaysia (80%) and Indonesia (20%). The Company possesses considerable know-how in plant breeding, agronomy, and micro-propagation through its own R&D facilities for the development of new and improved planting materials as well as improved crop husbandry practices. Through its sound managerial and technical expertise, UP is today recognised as one of the highest yielding, cost competitive and innovative plantation companies in Malaysia.

For more information on UP please see: [www.unitedplantations.com](http://www.unitedplantations.com)

## **Additional information about Pinehill Pacific Berhad ("Pinehill")**

Pinehill is a Malaysia-based investment holding company established in 1917, which is engaged in the provision of management services. Pinehill is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of the subsidiaries are oil palm cultivation and processing.

The Group's total oil palm plantation area stands at approximately 8,999 acres in Malaysia and over 19,750 acres cultivated with oil palms in West Kalimantan, Indonesia.

## **Contact information**

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