

Statement on Several News Reports Accusing FGV Board Members Involved in a Conspiracy in FGV

Felda Global Ventures Holdings Berhad (FGV) would like to reiterate that at this point in time the decision made so far is to allow Dato' Zakaria Arshad and three other senior management staff to take leave of absence with full pay and benefits.

As a Public Listed and Government Linked company that is operating under several regulatory bodies including Securities Commission (SC) and Bursa Malaysia, FGV is not involved in any conspiracy or personal agenda in conducting the internal investigation (Domestic Inquiry) process on Dato' Zakaria Arshad and three other senior management staff.

This investigation is considered a fiduciary responsibility of the Board in order to discharge its duty of care to the listed company and its shareholders.

FGV, which is committed to good corporate governance practices, will ensure that the Domestic Inquiry is conducted in a fair and just manner. Moving forward, FGV is committed to strengthen its operations and business performance to the best interests for all shareholders.

The said Domestic Inquiry will focus on the Safitex debt issues. As per official press statement from the Prime Minister's Office dated 19th June stating that Dato' Seri Idris Jala's report confirmed that there are sufficient facts and reasonable grounds warranting the FGV Board to initiate disciplinary proceedings against its CEO, CFO and two other senior management officials in relation to alleged breach of procedures.

The accusation of linking FGV Board harbouring a personal agenda to bring down a senior member of management is unwarranted. If these accusations continue, they may derail FGV's focus on core business improvement plans, value creation and the Board's execution of its fiduciary duties as expected by all stakeholders and shareholders.

Thank you.

Group Corporate Communications Department