



MINORITY SHAREHOLDER WATCHDOG GROUP
Shareholder Activism and Protection of Minority Interest

4 June 2014

BY FAX/HAND

(Fax No.: 609-5136211)

The Chairman and
 Board of Directors
FAR EAST HOLDINGS BERHAD
 Suite 5 & 6, Tingkat 8
 Kompleks Teruntum
 Jalan Mahkota
 25000 Kuantan
 Pahang Darul Makmur

Attention: Puan Asmin Binti Yahya
 Puan Noor Anisah Binti Sabarudin
Company Secretaries

Re: 40th Annual General Meeting (AGM) of Far East Holdings Berhad

MSWG received the Notice that Far East Holdings Berhad would hold its AGM on Wednesday, 11 June 2014 at 10.00 a.m.

In the interest of minority shareholders and all other stakeholders of the Group, we would like to raise the following:

Strategy/Financials

- 1) What are the steps and measures taken by the Board to sustain higher production and improve the average age profile of its palm trees? Has the Board formulated a replanting policy and replanting programs?
- 2) How readily prepared is the Group when the Malaysian Sustainable Palm Oil (MSPO) be made mandatory for all oil palm planters in Malaysia with a grace period of three to five years from now? Has the Group currently attained RSPO certified sustainable palm oil planter since it has adopted the Malaysian Palm Oil Board Code of Practice and awarded the Certificate of Compliance to the Code?
- 3) The Group's capital commitments stood at RM63.82 million as at 31 December 2013. The amount for oil palm plantation development was RM16.75 million and the amount for acquisition of land was RM40 million.

Is there any plan by the Board to venture outside the State of Pahang for acquisition of land and outside Malaysia for the development of the Group activities?

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia • Company No: 524989-M)
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FAR EAST HOLDINGS BERHAD

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- 4) It is acknowledged that the Goods & Services Tax (GST) will be implemented by April 2015.

How does the Board assess the impact of the GST on the business services rendered by the Group Activities of its plantation operations, particularly the sales of its palm related products?

- 5) What is the status of the material litigation reported in Note 30 on pages 108-111 of the Annual report between FEHB and Kampong Aur Oil Palm Company Sdn Bhd as Plaintiffs and Majlis Ugama Islam dan Adat Resam Melayu Pahang as Defendant since 2012?

Corporate Governance

- 1) We noted that the remuneration for both the EDs and NEDs was not disclosed according to the band of RM50,000 which is not in compliance with Chapter 9, Appendix 9C, Part A, 11 (b) of the Main Market Listing Requirements. Please explain.
- 2) We would also like to encourage the Board to have Minutes of the AGM published on the Company's website to be in line with the spirit of transparency and good Corporate Governance practices based on the ASEAN CG Scorecard which is being used to assess the level of CG standards of PLCs in Malaysia by MSWG.

We would appreciate if the Board could present the points raised here, and their related answers, for the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records and for posting on our website for the benefit of all stakeholders.

Thank you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Lyo', is written over a circular stamp.

LYA RAHMAN
General Manager
Corporate Services