

Organic Musang King Durian



Plantations
INTERNATIONAL

Plantation Ownership Opportunity Malaysia



Plantations International Associated Companies and Accreditations



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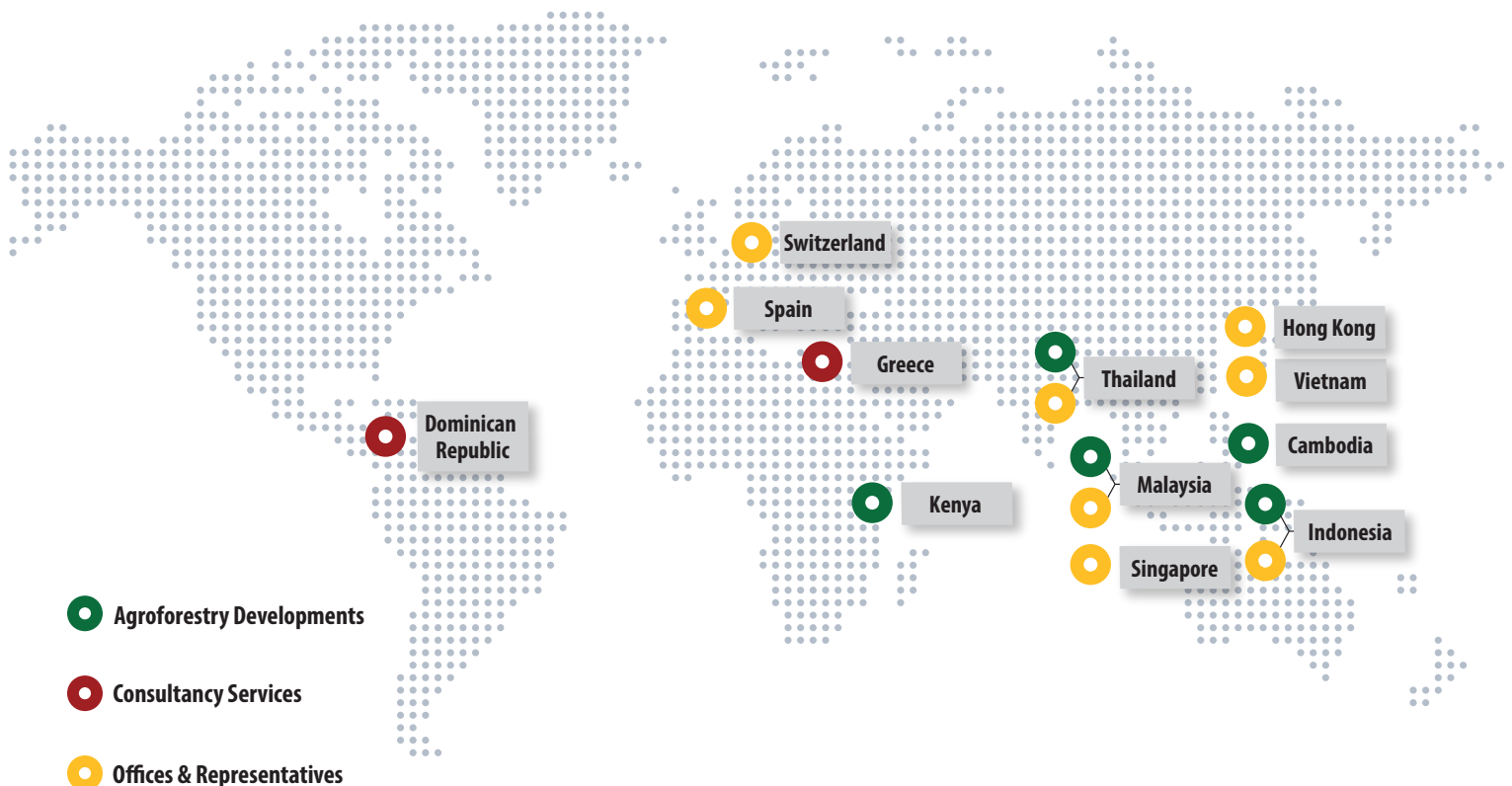
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Welcome to Plantations International

Plantations International is a multinational plantation and farm management conglomerate whose specialty is in providing sustainable agricultural and forestry “agroforestry” management services for its clients. Plantations International has clients ranging from private individuals to large land holders and institutional investors. From the preconceptual planning stage to harvesting and marketing the final products, we strive to go the extra mile to exceed our clients’ expectations.

At Plantations International we consider our clients to be our business partners. Your success is our success and with our broad range of products and services and an endless menu of custom-tailored solutions, we have the resources and experience to make your Musang King Durian plantation commercially successful throughout its entire lifecycle. We put teamwork, innovation and our passion for creating “ethical & sustainable capital” at the heart of everything we do.

Global Presence



Welcome to Plantations International



Plantations International's
Management Team

Have Over **100**
Years Experience in
Sustainable
Plantation Management



Introducing the Musang King Durian

Musang King (Mao Shan Wang)

Musang King Durian which is also known as Mao Shan Wang or D197 is without question the most highly demanded Durian in the world. Consumers prefer its flavour and creamy texture over other available competing Durian varieties.

Despite high demand, low supply means its availability outside of Malaysia is severely limited. Malaysia consumes upwards of 90% of its total production.

Prices for Musang King have already increased dramatically over the past 5 years and will continue to do so in the foreseeable future until more production is exported.

To make matters worse, China's consumption of Durian per person is still only 1/15th or less than 7% of the regional average (Singapore, HK and Taiwan). As China's demand increases over the coming years prices will surely follow if exports do not increase.

The only solution to this predominant is to produce more Musang King by planting significantly more trees and investing in yield enhancing strategies to extract more productivity per hectare.

According to estimates, more than 12.5 million trees are required to supply China alone. This figure is even higher when Singapore, Hong Kong and Taiwan are considered.

Wholesale Market Prices Range From 10 - 20 USD/KG



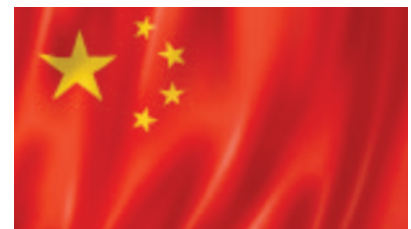
Singapore **12 USD/KG**

Prices have risen 75%+ since 2014



Hong Kong **15 USD/KG**

Prices have risen 100%+ since 2014



China **20 USD/KG**

Prices are currently 100%+ more expensive than in Malaysia

The Musang King Opportunity

Owning your own Fully Managed Musang King Durian plantation is a unique and highly profitable opportunity that has only just recently presented itself.

In fact, the Malaysian government noticing the growing demand and profitability of Musang King Durian, has recently begun to actively promote it domestically and abroad through tourism initiatives and supporting exports.

For example, Tourism Malaysia has launched guides and campaigns on Musang King as well as promoted travel packages to lure more tourists to the country. In regards to exports, the Ministry of Agriculture and Agro-based Industry along with FELDA (Federal Land Development Authority), are both promoting Durian globally in order to bolster Malaysia's economic growth. The government is intensively supporting exports to key markets such as China and Hong Kong, and is planning to target new markets such as South Korea and Europe in the future.

Plantations International through its offering presents its clients with the ability to take advantage of the rapidly growing Musang King Durian market. A market that is growing enormously and one which will alter Malaysia's agricultural and economic landscape.



Musang King Durian - Project Rationale

Musang King supply can only meet **3% of global demand.**

The demand for Malaysia's Musang King is over 95% greater than current domestic production levels this gap is widening annually. Currently, Malaysia has only 550,000 Musang King Durian trees and they account for less than 15% of the 300 million KG of durian Malaysia produces annually.

To make matters worse, Malaysia only exports 5% of its total production as 95% of all Musang King Durians are consumed domestically.

Malaysia has lost hundreds of millions in revenue due to poor management, lack of knowledge and strategic development by companies and the Government. It is decades behind Thailand which dominates the durian market with 95% of global exports despite having an inferior product. Thai durians in 2019 accounted for 99% of China's imports.

Musang King Durian

95%

Of Production is Consumed in Malaysia

Lack of supply is causing sky rocketing Musang King prices.

20%

Increase in Imports per year (China, 2015-20)

China alone can import 20X current production levels, without affecting prices.

3x

More Expensive Overseas

Musang King Durian prices in China are over 3x higher than in Malaysia.

Executive Product Summary

- **19.97% average annualized harvest yields from domestic sales at just 10 USD/KG.**
- **Wholesale export sales prices at \$12-20 USD/KG.**
- **Pre-agreed domestic & international sales agreements are in place.**
- **Harvest Guarantee Insurance is provided.**

Demand

- Musang King Durian imports are rising significantly across Asia. Especially in China, Hong Kong, Taiwan and Singapore.
- China's imports have increased consistently: 30% per year since 2015 (27% per year since 2011).
- Durian is now China's most imported fruit in terms of value (\$1.6 billion in 2019).
- Prices for Musang King are up to 10x more overseas due to limited supply.
- 95% of all durian produced by Malaysia is consumed domestically.

Supply

- Malaysia only exports 5% of its total durian production due to poor infrastructure, strategy and sector based knowledge.
- In fact, Malaysia did not have a durian export agreement with China until 2019 - almost 20 years after Thailand.
- Thailand dominates durian exports with 95% of the worlds supply and 99% of China's imports.
- Unlike Malaysia, Thailand has positioned themselves well strategically having invested in production, co-operatives and infrastructure decades ago.
- The Malaysian government has been supporting the Musang King sector but inefficiently focusing on local farmers using outdated planting methods which will impact yields, land optimization and export supply.
- Only 550,000 Musang King trees exist which is enough to meet only 3% of global demand.

Executive Product Summary

Yields

- Our Musang King Durians are harvested as early as Year 4 with intercropping returns paid out as early as Year 1.
- Unlike traditional farmers we have an export and value chain focused strategy which enables greater long term profitability.
- Harvest yields increase as the trees mature which in turn allows them to produce more and better quality fruit.
- Average harvest yield of 19.97% over the project term at just 10 USD/KG.

Security

- Harvest Guarantee Insurance is provided in your management agreement for the entire 25 year life-cycle of your plantation.
- Export focused production aimed at ensuring higher priced income streams.
- Minimum price guarantee provided allows the company to lock in future supply requirements.
- Plantations are within easy driving distance of Kuala Lumpur International airport for ultra-fast “Harvest to Market” export times.
- One of the few, if not only Malaysian durian businesses operated with an international strategic vision and management team.

Management

- Experienced management team that has been involved with the sales marketing of agroforestry products across Asia, the Middle East, Africa and the Americas.
- The Malaysia based scientific advisors to our plantations are nationally renowned and have over 20 years Musang King Durian experience.



Musang King Durian in the News



“A Durian economy?
Malaysia is banking on it”
“Demand for Malaysian Durians in
China may mean fewer, costlier fruit
for Singapore”



“The King of Fruits is
skyrocketing in China”
“Musang King is just as popular
as iPhone X in China, says
Malaysian minister”



“Durian prices reach 33 year high”
“Malaysia seeks to satisfy China’s
Musang King craving”



“How China’s soaring appetite for
Malaysian Durians is causing a
spike in demand in Hong Kong”



“Malaysia’s Musang King Durian
festival a roaring success;
to be held annually”



“How China’s growing Musang
King Durian obsession is leading
to a wealth of new product
development”

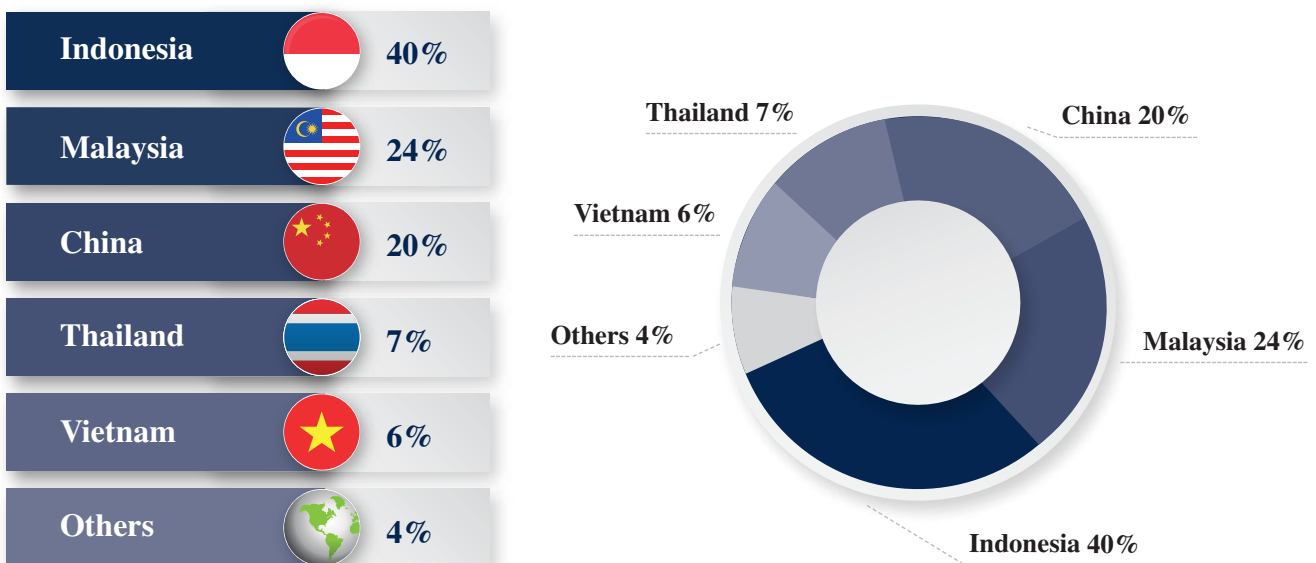
Global Durian Market Dynamics

The global retail market for raw Durian fruit is estimated to be worth over **14 USD Billion annually**. This figure however excludes the retail value of end products such as desserts, snacks and beverages. Although Durian's share of such end products is unknown their value is enormous, worth over **275 USD Billion annually** combined, in Asia alone.

In terms of global Durian fruit consumption Indonesia, although not widely known for its consumption, is in fact the largest consumer in the world followed by Malaysia and China. Malaysia however is the largest consumer of Durian on a per person basis, consuming up to 11 KG per person. China currently accounts for 20% of global consumption and yet its fascination with Durian has only just recently begun with consumption per person still lower than the rest of the region. China's consumption is rapidly increasing and will likely overtake both Malaysia and Indonesia over the next ten years.

Global Durian exports are dominated by Thailand at the moment with up to 95% of the entire market, followed by Malaysia with 4%. Although Durian from Thailand is well known to be of inferior taste and quality to Malaysian Durian it has dominated the export market for over a decade due to Malaysia's poor management of its precious Musang King Durian. Malaysia's supply of Musang King Durian is in **limited supply** with only 550,000 trees available.

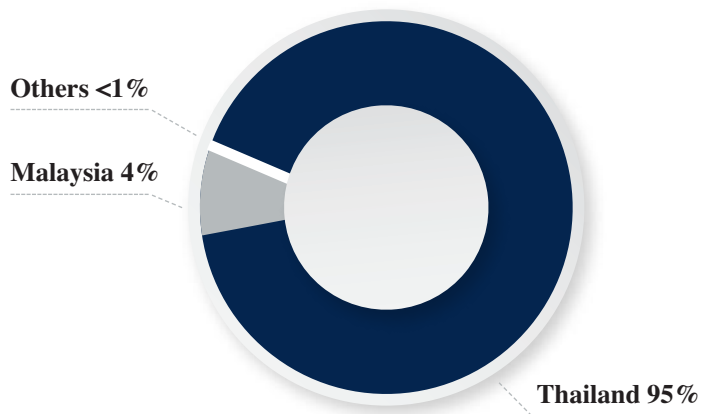
Durian Global Consumption (Volume, KG)



Global Durian Supply

- The only net exporting country in the world is Thailand.
- Thailand has focused specifically on exports, dominating the market with 95% of total volume.
- Thailand's Monthong, Chanee & Kanyao durian varieties are less demanded than Malaysia's Musang King but they are the only ones commonly available.
- Malaysia is decades behind Thailand in durian production, yield and harvesting advancements, export packaging, cold processing technology and supply chains.

Durian Exporters (2021)



Source: Customs Statistics & Trade Map



The Organic Musang King Advantage

“ Plantations International is perfectly positioned to export Musang King durians from Malaysia to China and beyond via our vertically integrated distribution chain. We Plant, We Grow, We Sell. ”



Experience Matters

United Tropical Fruit Sdn. Bhd. comprises leading agronomists and Malaysia's top Musang King Durian experts.



Sales Price Guarantee

You are contractually guaranteed a minimum 10 USD/KG for the durians from your trees.



Export Agreements

Export agreements are already in place via our own and third party distribution networks.



Distribution Network

By controlling the distribution chain from A-Z, we guarantee that we can achieve the best possible prices.

Musang King Market Prices

- Prices for Musang King have risen substantially and will rise even further due to limited supply and increasing global demand.
- Demand will be driven predominantly by Chinese consumers who have become fascinated with Musang King due to its unique taste and health benefits.
- Chinese consumption levels are extremely low at the moment compared to regional countries with ethnic Chinese populations such as Taiwan and Singapore. This has been due to China's lack of Durian fruit exposure, which is now beginning to increase and has led to prices skyrocketing.
- China at the moment consumes 0.21 KG per person, while Taiwan and Singapore consume 3.20 KG. China's consumption is rapidly rising and will eventually reach their regional counterparts which will increase prices substantially more in the future if there is not enough supply.
- According to Malaysia's Agriculture Department, there are currently approximately 550,000 mature Musang King Durian trees in the country.
- Current supply levels are only sufficient to meet 3% of total global Durian imports at the moment which is shockingly low.
- Additional Musang King supply is necessary to meet the growing demands of the market.
- As Durian trees require approximately 5 years to yield fruit, growing trees today is urgently needed.



The Global Durian Market



The Durian Market
is worth over

**14 USD
BILLION**

Annually



Durian Product Categories

Durian, once considered a niche fruit is now gaining mass appeal. It is one of the most versatile fruits in the world with a large and ever expanding number of uses. Considered a delicacy in Asia its appeal has been growing enormously with new Durian based products continuously being developed by companies. This includes traditional items such as ice creams and pastries but also unique products such as lipsticks and noodles.

Durian as a market falls into 4 key product categories – raw durian fruit, snacks, desserts and beverages. Durian in raw fruit form is composed of fresh, frozen or dry and in total is valued at over 14 USD billion annually. Although Durian’s share of the other categories - desserts, snacks and beverages - is unknown, combined they are worth over 275 USD Billion Annually in Asia alone.

Raw Durian Fruit	Durian Snacks	Durian Desserts	Durian Beverages
Raw Durian Fruit	Chips, Crackers & Candies	Ice Cream, Cake, Jam	Coffee, Tea, Milk & Juice
14 USD Billion Annually	20 USD Billion Annually	35 USD Billion Annually	220 USD Billion Annually

Note: The USD values stated for the above snack, dessert and beverage categories refer to the entire product category. Durian’s share of these categories is unknown but they are key Durian product categories.

Durian Retailers

Global and regional based companies across Asia have all released Durian based products. These companies include global giants such as Nestle and McDonalds and regional ones such as Bread Talk and Ya Kun Kaya Toast. Companies in an effort to maximise profitability are constantly looking for ways to increase their sales by attracting more customers, retaining existing ones and increasing the amount customers spend. Demand for Durian has not gone unnoticed by F&B companies and has resulted in them launching multiple Durian items onto their menus. These include items such as pizzas for Pizza Hut and Durian egg tarts for KFC.



China's Durian Demand

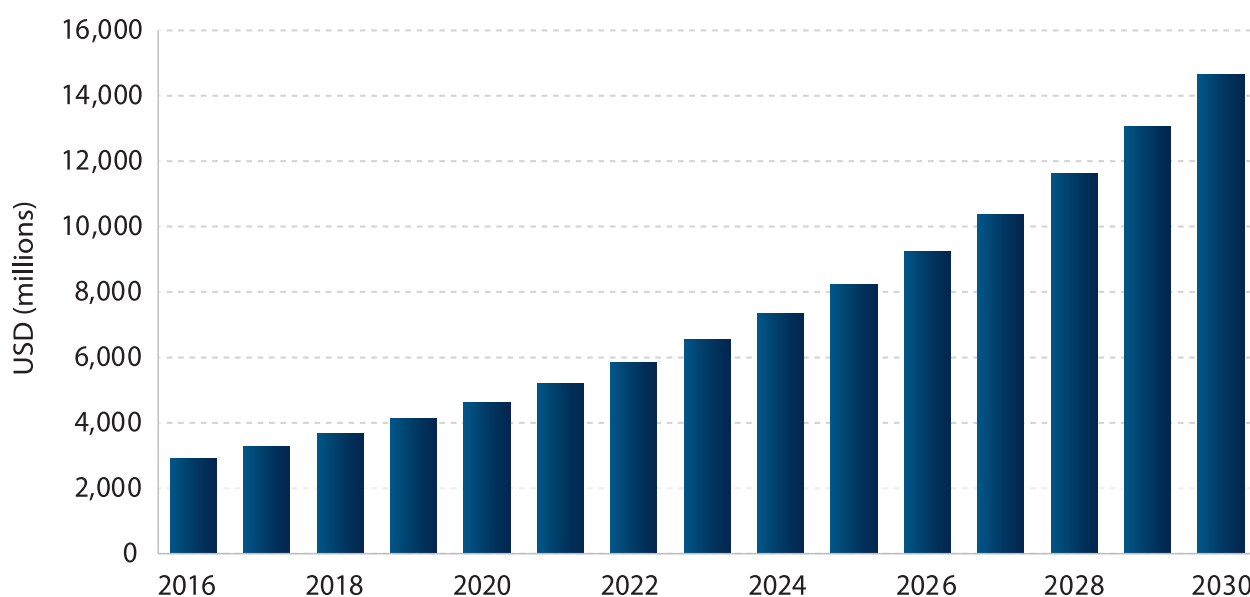
Although China's demand is already extremely high it is expected to increase significantly further in the coming years driven by:

- Increased production of F&B products.
- Low and scarce supply of Musang King.
- The Malaysian government promoting exports.
- China's annual durian consumption rising significantly.

China is the world's largest export destination for Durian, importing over 290 million KG or up to 80% of global trade. Chinese imports by volume are up 13% p.a. since 2006 went up by 23% p.a. by value since then.

China is expected to conservatively import 14 Billion USD annually worth of Durian by 2030, although the figure could be as high as 40 Billion USD. Additional supplies of Musang King Durian are urgently needed to meet this.

China Future Imports (USD, millions)

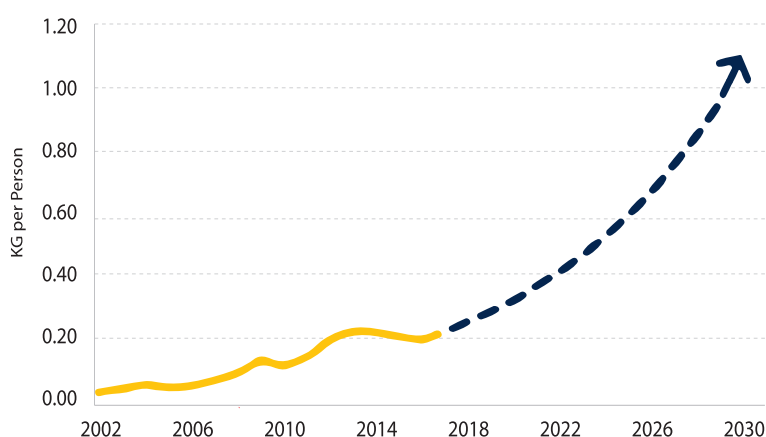


Note: Based on import volume growing at 10% p.a., a retail price of 10 USD/KG and price inflation of 2% p.a.

China's Durian Consumption

- China is the world's largest importer of Durian, accounting for up to 80% of all Durian imports.
- Although demand may appear high, it is in fact quiet low. With consumption per person only 0.21 KG, far lower than the 3 KG found in other regional countries.
- China's consumption per person is currently low for two key reasons – familiarity and supply.
- China's fascination with Durian is only a decade old with consumers first exposed to it while abroad in Thailand and Malaysia. Consumption will rise as they become more familiar with it.
- Musang King supply is insufficient to meet demand, with almost all of it being consumed domestically in Malaysia.
- Consumption in China will logically rise as people of Chinese descent have similar taste profiles. This means it should eventually rise from 0.21 KG to 3 KG per person, in line with the consumption level of similar countries such as Taiwan, Singapore and Hong Kong.
- The limiting factor for the industry is not one of demand but one of supply. There is not enough Musang King supply to meet rapidly increasing demand from China which has drastically raised prices.
- Musang King demand is so high in China at the moment that wholesale prices have hit over 20 USD/KG or 100% more than in Malaysia.

China Future Imports (USD, millions)



“ We can only cater for one percent of China’s population. They adore the Musang King... Imagine the returns for both the traders and Malaysians in general if we go all out in China. ”

Ahmad Shabery Cheek
Malaysia’s Minister
of Agriculture

China's Fruit Imports

45%

China's Increase in Fruit Imports in 2021



Durian

1.6 billion USD



Cherries

1.4 billion



Bananas

1.1 billion



Mangosteens, Guavas, Mangos

790 million



Grapes

640 million



Kiwi

450 million

Source: Produce Report and China Customs Statistics

Portfolio Diversification



Durian

Modern portfolio theory is a key financial theory which attempts to maximise returns relative to risk by constructing a diversified portfolio of assets. A diversified portfolio is created by selecting unique uncorrelated asset classes. This can help reduce risk and increase returns.

Musang King Durian adds another layer to this theory by providing a product which in itself is diversified. Musang King Durian can be converted into a variety of different products which mitigates risk further, and is essential to having a truly well balanced portfolio.



Fresh Fruit



Frozen Fruit



Ice Cream



Beverages



Chips & Crackers



Chocolate



Cakes & Pastry



Candies

How Does Durian Plantation Ownership Work

There are only two ways to own a Musang King Durian plantation – Do it yourself or select a professional management company to do it for you. Establishing a durian plantation yourself is a troublesome technical endeavour which includes acquiring suitable land, obtaining required licenses and managing the day to day operation of your plantation. Necessary tasks include:

- Land suitability analysis and soil sampling.
- Land acquisition and multiple licensing.
- Preparation of the land – land clearing, soil preparation, irrigation, and the planting of the trees.
- Sourcing of quality and optimal planting materials and fertilizers.
- Daily maintenance and management of the plantation and staff.
- The harvesting, marketing, exporting your fruit to China.

Needless to say, none of the above is an easy task, especially if farming is not your primary line of work.

Plantations International has the knowledge, skills and experience to accomplish the above for all its clients effortlessly. We provide an easy hands free way for you to own a fully managed Musang King durian plantation without all the stress and hassle of doing it yourself.



Plantation Ownership Development Structure

Land Preparation

Land clearing, leveling, soil work, irrigation and other preparation services are conducted to make sure land is optimal for Musang King Durian growth.

Sapling Nursery & Planting

Saplings are grown in a nursery until they are ready and resilient enough for planting on site.

Management & Harvesting

Trees are managed and monitored continuously with staff on site. Once fruit are ready they are harvested and delivered to distributors for sale.



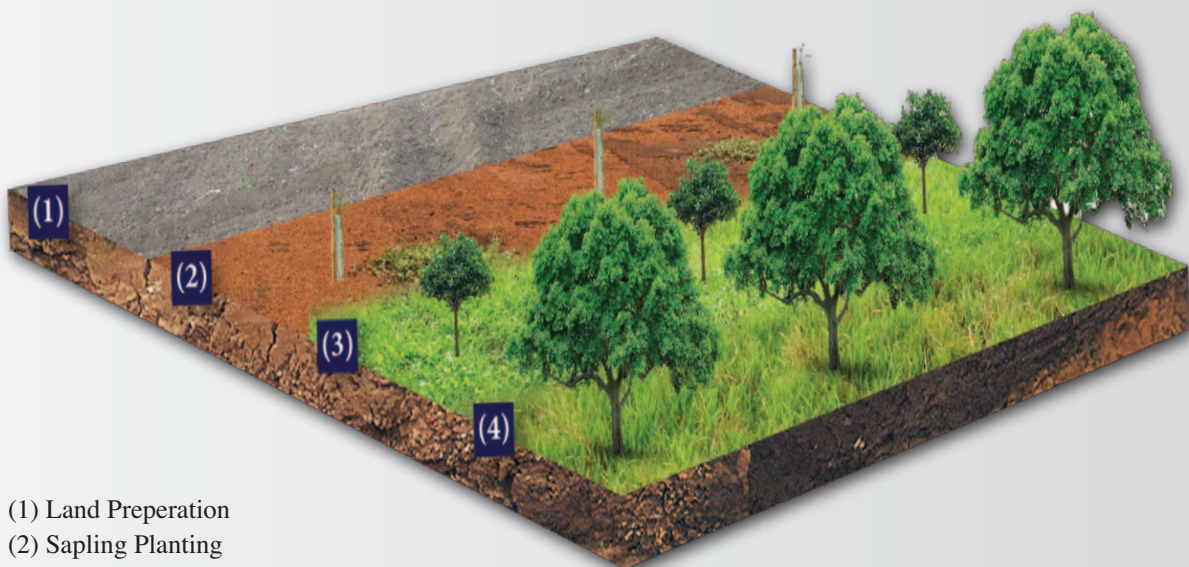
Ownership Structure

You will receive the following:

- **Tree Purchase & Land Agreement**
- **Tree Management Agreement**
- **Ownership Certificate**

Also included:

- **10 USD/KG Price Guarantee**
- **Harvest Guarantee Insurance**
- **Annual Harvests from Year 1**



- (1) Land Preparation
- (2) Sapling Planting
- (3) Early - Intermediate Growth
- (4) Intermediate - Mature Growth

Malaysia Plantations & Location

Plantations International's 100 acre Musang King Durian plantation is located in the town of Hulu Tembeling in the Malaysian state of Pahang. Just 178 km. from the capital city Kuala Lumpur and 357 km. from the Singapore border.

Soil and climatic conditions in Hulu Tembeling are ideal for agriculture, with a large proportion of all arable land currently being cultivated.

Also United Tropical Fruit Sdn. Bhd. maintains a fully staffed management and monitoring office near the plantation.

Kuala Lumpur International Airport is just hours away making Hulu Tembeling ideally positioned for exports.



Musang King Durian Plantation
Pahang, Malaysia.

United Tropical Fruit Sdn. Bhd.
Kuala Lumpur Head Office.

Entry Prices & Harvest Yields

Musang King Durian Plantation Ownership

25 Years of Annual Harvests

394.09%

Total Yield %

19.97%

Annualized Yield %

Package values are based on domestic durian Prices of 10 USD/KG, however export wholesale prices range between 12-20 USD/KG.

	10 Tree Package	20 Tree Package	50 Tree Package
Durian Trees	10	20	50
USD Entry Price	\$38,870	\$77,740	\$194,350
Annual Avg. Proceeds	\$7,762	\$15,523	\$38,808
Total Net Proceeds	\$194,040	\$388,080	\$970,200

* Based 0% inflationary price increase in the price per KG. Malaysia averages over 1% inflation per annum.

* The above figures are inclusive of the 20% Harvest fee and intercropping yields.

Annual Harvest Yields

10 Tree Package
USD 38,870

10 USD/KG has been used below to show domestic sale prices. Export prices range between **12-20 USD/KG**. At harvest time you will receive the highest price per KG. we sell at.

Year	Durian per Tree	Total KG. Yields	Sales Price USD/KG.	Intercropping Proceeds	Gross Harvest Proceeds	20% Harvest Fee	Net Proceeds	Annual Harvest Yields (%)
1	-	0	-	\$262	\$262	\$52	\$209.60	0.54%
2	-	0	-	\$262	\$262	\$52	\$209.60	0.54%
3	-	0	-	\$262	\$262	\$52	\$209.60	0.54%
4	-	0	-	\$262	\$262	\$52	\$209.60	0.54%
5	20	40	10,00	\$262	\$4,262	\$852	\$3,409.60	8.77%
6	20	40	10,00	\$262	\$4,262	\$852	\$3,409.60	8.77%
7	30	60	10,00	\$262	\$6,262	\$1,252	\$5,009.60	12.89%
8	30	60	10,00	\$262	\$6,262	\$1,252	\$5,009.60	12.89%
9	40	80	10,00	\$262	\$7,231	\$1,652	\$6,609.60	17.00%
10	40	80	10,00	\$262	\$8,262	\$1,652	\$6,609.60	17.00%
11	50	100	10,00	\$262	\$8,262	\$2,052	\$8,209.60	21.12%
12	50	100	10,00	\$262	\$10,262	\$2,052	\$8,209.60	21.12%
13	60	120	10,00	\$262	\$10,262	\$2,452	\$9,809.60	25.24%
14	70	140	10,00	\$262	\$12,262	\$2,852	\$11,409.60	29.35%
15	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
16	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
17	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
18	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
19	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
20	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
21	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
22	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
23	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
24	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
25	70	140	10,00	\$262	\$14,262	\$2,852	\$11,409.60	29.35%
Totals	1,180	2,360		\$6,550	\$242,550	\$48,510	194,040	499.20%

25 Years Accumulated Proceeds	\$194,040
25 Years Accumulated Proceeds %	499.20%
Annual Harvest Proceeds	\$7,762

19.97%
Average Annual Harvest Yields

25 Year Durian Harvest Outlook

The following is a summary that details your Musang King Durian plantation harvests over its entire 25 Year life cycle. Based on just 10 USD/KG.

Value	Measure	Description
Sapling Survival Rate	100%	Saplings are grown at our nurseries and transplanted on the plantation only once fit and ready. Additionally, the management company replaces all failed plantings through its Harvest Guarantee Insurance.
Harvest Duration	25 Years	Harvests including intercropping are annual and will continue for a full 25 years.
Weight per Fruit	2 KG	The weight of Musang King Durian fruit ranges between 1.6-3 KG per fruit, dependent on natural and biological factors.
Harvest Fee	20%	20% harvest fee deducted from your annual gross harvest proceeds (20/80 split)
Guaranteed Price	10 USD/KG	You are guaranteed a minimum 10 USD/KG for your Durian Fruits. This price is underpinned through our pre-agreed forward purchase agreements.
Retail Market Price	12 - 20 USD/KG	Wholesale prices for Musang King Durian range from 12 USD/KG in Singapore to 20 USD/KG in China.
Price Inflation	0%	Price inflation has not been applied. Global inflation is approximately 3% annually, meaning prices of your fruit should realistically increase by that amount each year.
Total Harvest Yield	499.20%	The total harvest yield includes all sales proceeds over your entire 25 year ownership term, based on just 10 USD/KG.
Average Harvest Yield	19.97%	Average harvest yield refers to the average of all annual harvest yields, in terms of sales proceeds. Based on just 10 USD/KG.

Harvest Guarantee Insurance

Plantations International through its Malaysian management arm **United Tropical Fruit Sdn. Bhd.** provides all clients with “Harvest Guarantee Insurance” in the form of a contractual replacement warranty. This fully guarantees that should any of their Musang King Durian trees die or become severely damaged due to any of below noted factors. United Tropical Fruit Sdn. Bhd. will immediately replace or replant them at no additional cost to the client, thus guaranteeing its clients a 100% harvest.

The Harvest Guarantee Insurance includes the following:

- ✓ **Fire**
- ✓ **Flooding**
- ✓ **Drought**
- ✓ **Lightning Damage or Hail**
- ✓ **Pests & Disease**
- ✓ **Wild Animal Damage**
- ✓ **Theft & Vandalism**



All Musang King Durian trees are fully covered from these risk events by our “**BUFFER STOCK**”



Welcome to Malaysia



Population: 31,950,000
GDP: USD 365 Billion
Time Zone: GMT +8

Malaysia Foreign Investor Overview

Why Invest in Malaysia

Malaysia is strategically located in the heart of Asia and is supported by a market oriented economy with pro business government policies. It offers investors a dynamic, secure and vibrant business environment all of which are necessary prerequisites for growth and profits. In addition, the Malaysian legal system has a strong framework largely based on British Common Law as a result of the colonization of the country by the British in the 19th century. Malaysia has consistently been one of the fastest growing economies globally which is noteworthy for a developed country. Malaysia was one of 13 countries identified by the Commission on Growth and Development in its 2018 Growth Report to have recorded average growth of more than 7% per year for 25 years or more.

The Malaysian economy has continued to grow exceedingly well with GDP reaching USD 314.50 billion in 2017. Future outlook is strong as well with The World Bank expecting the economy to grow 5.40% in 2018 and 5.10% in 2019. For a comparison, The World Bank expects growth in the U.S and Europe to reach 2.5% and 1.7%, respectively in 2019.

Malaysia is One of the World's Best Country to Invest In

Ranked 1st, Best Country to Invest In
BAV Consulting and The Wharton School of The University of Pennsylvania, 2017

Ranked 3rd, ASEAN Foreign Direct Investment

United Overseas Bank - ASEAN Snapshot, May 2018

Ranked 3rd, Strength of Investor Protection

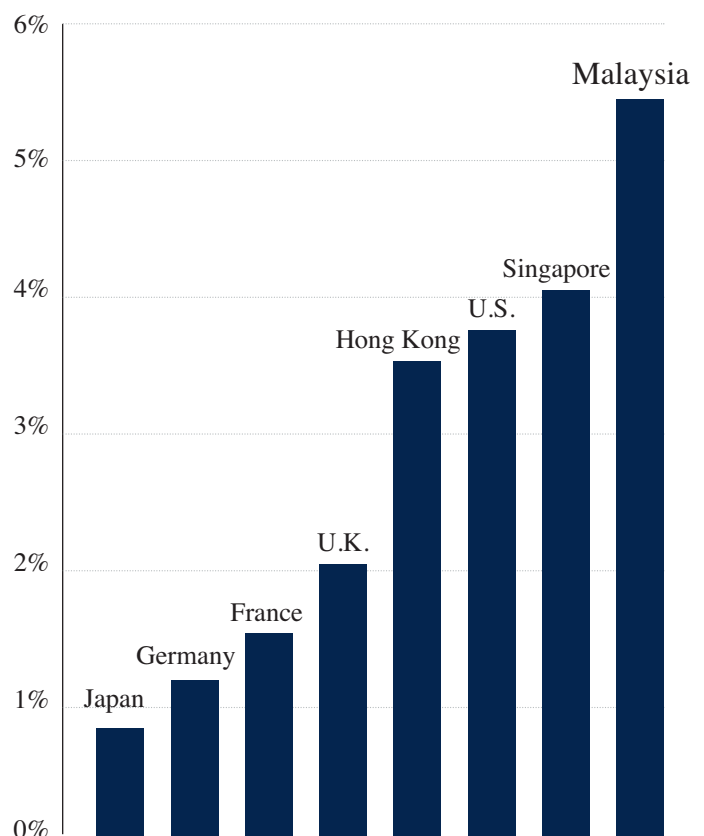
World Economic Forum, The Global Competitiveness Report 2017-2018

Ranked 3rd, Global Offshore Services

A.T. Kearney Global Services Location Index, 2017

Ranked 4th, Protecting Minority Investors

The World Bank Group - Doing Business, 2018



Agriculture as an Asset Class

The agricultural industry is worth over **USD 8 trillion**.
This is comparable to all gold ever mined on earth.

Forbes, "The Biggest Investment Opportunity You've Probably Never Heard Of "

Agriculture falls under the broad asset class known as "real assets" which are physical in nature and provide hard tangible ownership. Other real assets include real estate and commodities such as gold. Agriculture as a sector has been rising in prominence over the past decade reaching over 8 USD trillion in value. To put this figure into perspective it is comparable to all the value of all gold ever mined and the global professionally managed real estate industry. Additionally, the sector accounts for approximately 30% of global GDP.

Between 2015 and 2020, the asset size of investments specializing in food and agriculture assets jumped from USD 24 billion to 73 billion, growing 25% p.a. The majority of investment into the sector is through indirect exposure holdings. Over 60% is held via commodities, futures and equities.

In terms of physical ownership, almost all investment at the moment is privately owned with institutional investment surprisingly only 0.50% of the total value. This is slowly changing as savvy institutional investors are beginning to take notice of this sectors appeal. For most investors however the sector remains fragmented, confusing, and costly to enter.

1/3

Of Global
GDP

70+

USD Billion
AUM

<1%

Physically
Owned
by Institutions

Asset Class Performance

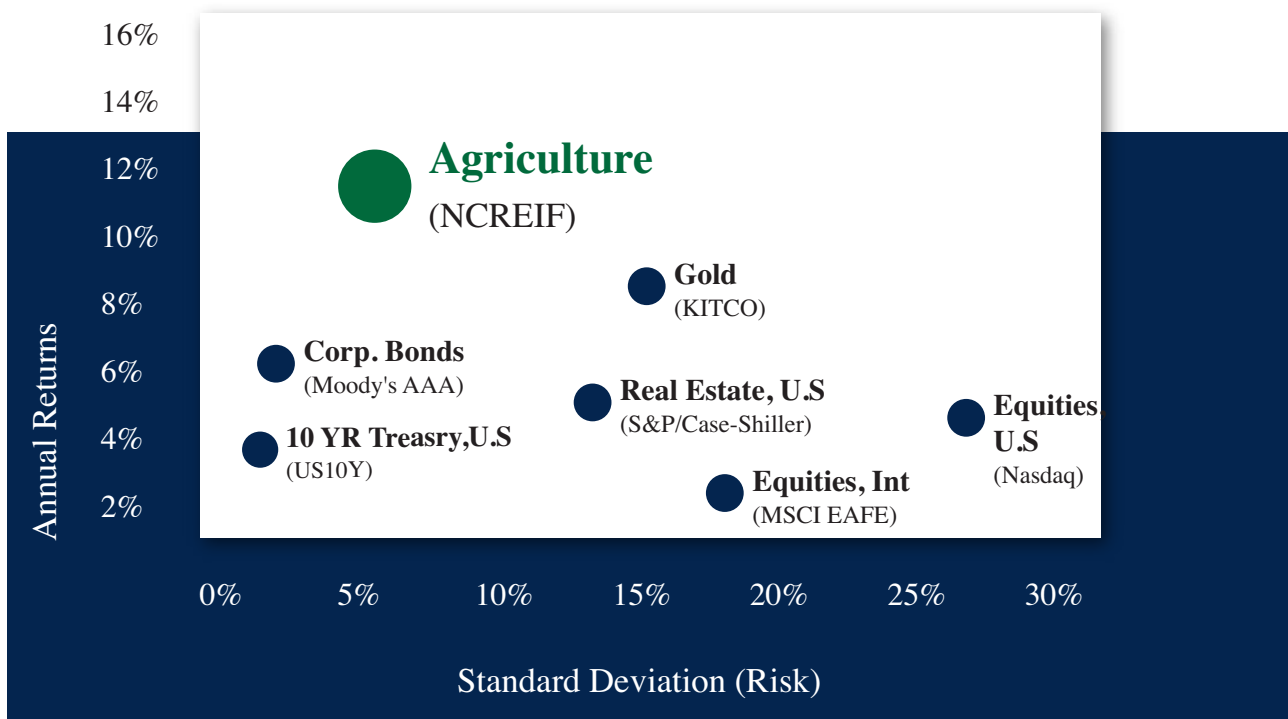
Agriculture has become an attractive investment destination for a number of reasons. Most important of all are the strong market fundamentals in support of the sector, on both the demand and supply side. An increasing population, changing demographics, reductions in arable land and climate change have led to an urgent need for more food and increased productivity.

Investments into the sector have surpassed **USD 70 billion**, rising **24% p.a.** since 2016.

Valora Advisors, 2020 Global Food & Agriculture Investment Outlook

Agriculture has historically outperformed other asset classes including stocks, bonds and real estate. Agriculture has yielded **13.69%** since 2000 with a standard deviation of only **7.58%**.

Agriculture vs. Other Asset Classes (2000 -2021)



Asset Class Performance

Quick to mature, permanently in high demand, and always profitable. Agriculture is one of the safest and most secure ways to hedge your portfolio against market volatility. No matter what happens in the world, people will always need food.

Key Asset Class Benefits

Returns

Agriculture has outperformed most assets throughout history, particularly on a risk basis i.e. volatility.

Inflation Protection

Food prices rise with inflation. As a result, agriculture is a good hedge against rising prices.

Diversification

Agriculture has low correlation to traditional assets such as stocks and bonds.

Limited Economic Cycle Relationship

Food demand is driven by rising populations. Unlike traditional assets, it is less related to economic crashes.

Biological Growth

Biological growth is unrelated to the performance of the economy. Trees keep growing and increase in value as they age.

Food Security & Sustainability

70% more food will be needed by 2050 to feed the worlds rapidly expanding population.

Food and Agriculture Organization of the United Nations

Food along with water and air is essential for human life. High levels of food security are necessary for human existence but it is also imperative to global and country specific economic growth, stability and prosperity.

Low levels of food security place significant stress on government expenditures and populations. It forces governments to invest substantial resources in the short-term through programs and subsidies. It also increases their reliance on food imports which is detrimental to long term food self sufficiency. The FAO has reported that high rates of malnutrition can lead to a GDP loss of as much as 4-5%.

There will be 9.6 billion people in the world by 2050, that will require more than 70% more crops than we have today. This combined with a reduction in arable land and the effects of climate change means drastic change is needed. Significant investment is required into the agricultural sector in terms of capacity and more efficient sustainable methods of production.

Food Security Indicators



Affordability

Costs, food programs and import tariffs,



Availability

Supply, storage, wastage and related infrastructure.



Quality & Safety

Nutritional produce and access to clean water.



Natural Factors

Soil erosion and exposure to droughts, floods etc.

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