EQUATORIAL PALM OIL PLC

ANNUAL REPORT AND ACCOUNTS

For the year ended 30 September 2019

Registered Number 05555087

EQUATORIAL PALM OIL PLC

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FOR THE YEAR ENDED 30 SEPTEMBER 2019

CHAIRMAN'S STATEMENT

Introduction

Equatorial Palm Oil plc ("EPO or "the Company") is an AIM listed company with a 50% share in Liberian Palm Developments Limited ("LPD") which (through subsidiaries) holds palm oil concessions in Liberia.

2019 has seen the first revenues coming in from the sale of our oil palm products by the associate (Liberian Palm Developments Limited), following the commissioning of the new palm oil mill at Palm Bay estate in 2018.

EPO is now targeting positive cash flow from its associate's Liberian operations. We continue our engagement with all the communities in and around our concessions as we seek consent for all land development as part of the Free, Prior and Informed Consent ("FPIC") process.

We are also seeking co-operation and action from the Liberian Government to ensure that concerns raised by oil palm companies are properly addressed.

Liberian Palm Developments Limited ("LPD")

Associate

EPO (through its wholly owned subsidiary Equatorial Biofuels (Guernsey) Limited) and Kuala Lumpur Kepong Berhad ("KLK") (through its wholly owned subsidiary KLK Agro Plantations Pte Ltd) each currently holds 50 per cent of the issued share capital of LPD. KLK also holds ordinary shares in EPO (through its wholly owned subsidiary KL-Kepong International Limited) representing approximately 62.86 per cent. of the issued share capital of the Company.

Under the Joint Venture Agreement, KLK has the power to appoint the Chairman to the Board of LPD and in the case of a tied vote the Chairman has the casting vote. For this reason, the Company accounts for its investment in LPD as an equity investment in which it has significant influence, therefore, classified as an associate.

LPD controls the operations in Liberia which involves the production and sale of oil palm products. The following operational review relates to the operations within the associate LPD which is referred to as "the Company" under the Operational review section.

Operational Review

On 7 January 2019, EPO announced that the first sale of crude palm oil ("CPO") was made from the newly commissioned palm oil mill ("POM") at Palm Bay estate.

As was announced on 27 September 2018, the POM, which currently has capacity to process up to 30 metric tonnes per hour ("mt/hr") (with the potential to increase capacity up to 60 mt/hr) of fresh fruit bunches, has been commissioned and is producing CPO.

EPO, through Libinc Oil Palm Inc ("Libinco"), its Liberian operating subsidiary, sold its first shipments of CPO to an oil palm trader. EPO understands that this shipment was delivered to Nigeria, which is a member of ECOWAS (The Economic Community of West African States), as is Liberia. Trade between ECOWAS member states is tariff free, and therefore no import or export duties were payable.

First shipments of CPO from the POM were made using flexibags, which sit inside shipping containers, each holding approximately 20 metric tonnes ("MT") of CPO, and were shipped out of the main port in Monrovia on conventional cargo ships.

Furthermore, on 20 August 2019, the Company announced that one of the customers of Libinco had confirmed the purchase of 2,700 MT of CPO whereby the customer arranged for the CPO to be collected by parcel tanker ship from the port of Buchanan, which is 45 kms from the POM on Palm Bay estate. This was a significant milestone for the Company, as this was the first time Libinco was able to sell the CPO in bulk for export on a parcel tanker ship as opposed to being shipped in 20MT flexibags.

All shipments to customers going forward are expected to be made by parcel tanker ship from the port of Buchanan, which, utilising the Company's 3,000 MT storage tank export facility, allows customers to purchase the Company's oil palm products in bulk for export.

The POM incorporates the latest advancements in mill technology, including a kernel crushing plant ("KCP") and a biogas plant. The KCP has recently been commissioned and the biogas plant will likely be commissioned by the end of Q1 2020.

The resulting products from the KCP is PKO and palm kernel cake ("PKC"). PKO will be sold for industrial uses in oleochemical applications and PKC is primarily used as a high protein ingredient for animal feedstock. Until such time as the Company has sufficient quantities for sale and a buyer of PKC for export, it will be used to fuel the boiler in the POM.

The biogas plant as a renewable energy source captures methane emitted from the POM effluent to generate electricity for use in the POM and surrounding office and residential buildings. As a result of the minimal waste or residue, the POM is considered to be a highly efficient mill.

Bulking Station and Export Facility

On 26 June 2019, we announced that our tanker trucks were delivering CPO to the 3,000 MT storage tank at the Company's export facility at the port of Buchanan. The export facility at the port of Buchanan is now fully commissioned and operational.

The above assets are held under the associate, LPD, which is responsible for the operations.

Palm Bay and Butaw Estates

Palm Bay estate currently has 6,470 hectares ("ha") planted to oil palm, of which 5,156 ha is mature enough to be harvested for the extraction of CPO and other products at the mill at Palm Bay estate. A further 939 ha will be coming into maturity over the 2019/2020 financial year.

As announced on 26 June 2019, the fresh fruit bunches (“FFB”) then harvested had increased from 2,000 MT per month to in excess of 4,000 MT per month. This improvement is a result of the training that has been provided to the harvesters, as they now become more experienced, and the increased ease of harvesting during the dry season. We expect a slight decrease in production of FFB during the wet season.

We also announced on 26 June 2019, that the oil extraction rate had increased from 22% to 25%, which is highly encouraging and verifies the Company's choice of the correct breeding material of oil palm to be planted in Liberia. Again, we expect a slight decrease in this figure during the wet season

In addition, LPD is working with the Liberian National Police to restrict and minimise the theft of FFB in and around Palm Bay.

At the Butaw estate, only 1,418 ha have been planted to oil palm out of a total concession area of 8,011 ha. As referred to in the Company's interim results released on 10 May 2019, a strategic review of the Butaw estate operations has been undertaken and a conclusion has now been reached to scale down our operations at Butaw as was announced by EPO on 26 June 2019.

Recent High Carbon Stock ("HCS") and High Conservation Value (“HSV”) assessments and studies have shown Butaw estate to have insufficient plantable area, therefore making it neither economic nor sustainable to build a long-term oil palm business at Butaw. The international HCS guidelines were introduced several years after we started development operations in Liberia. The guidelines were primarily intended for South East Asia, where there is already a large, established Palm Oil industry making a significant economic contribution, creating huge employment and significantly improving living standards of the communities involved. With the same guidelines being applied to economically challenged countries such as Liberia, it is now, in practice, more difficult to establish sufficient scale to justify continued operations at Butaw.

As a result of the aforementioned assessments and studies, Butaw was considered to be uneconomic as a standalone concession and the decision was made by the Board of LPD to fully impair its value in accounts for LPD. In addition, the Company was notified by its parent company

KLK, that KLK (in its results for the nine months ending 30 June 2019) had made an impairment in its accounts in respect of its investment in the joint venture company LPD as a result of the impairment of assets at Butaw estate (Liberia Forests Products Inc.) in the amount of US$35,107,359. Liberia Forests Products Inc. is the operating company at Butaw estate and a wholly owned subsidiary of LPD.

EPO holds a 50% joint venture share in LPD (through its wholly owned subsidiary Equatorial Biofuels (Guernsey) Limited) and, as at 30 September 2018, the value of its investment in LPD as was US$15,090,000. As is set out in these financial statements, EPO has also made an impairment in its investment in subsidiary, Equatorial Biofuels (Guernsey) Limited, of US$ 15,842,000 of which is now reflected in the full year results ending 30 September 2019, which results in reducing the carrying value of its investment to nil.

Funding

As announced on 20 May 2019, LPD entered into a loan agreement for a facility of US$20m with KLK Agro Plantations Pte Ltd ("KLK Agro"), a wholly owned subsidiary of KLK, to fund the operations and capital requirements of LPD (the "Loan").

The key terms of the Loan are as follows:

- Amount - up to $20.0m which is unsecured
- Term - 5 years from the date of the Loan Agreement, being 19 May 2019
- Interest - 3-months USD LIBOR + 5 per cent per annum
- Repayment - Loan principal (together with all accrued Interest due) on expiry of the Term

The Loan was in addition to, and on predominantly the same terms as, the loans of US$20.5m, US$30m and US$30m as provided by KLK Agro, announced on 27 January 2015, 5 September 2016 and 12 October 2017 respectively (the "Existing Loans"), save for the date of maturity of the Loan being 19 May 2024. The maturity of the Existing Loans of US$20.5m and US$30m has now, post period end, been extended to 30 October 2032 (as opposed to 30 September 2032, as previously announced), and the further Existing Loan of US$30m provided on 12 October 2017 remains due on 11 October 2022. LPD has $14.7m left to draw down of the $20m Loan as at the end of the period.

EPO and LPD entered into a Loan Agreement for US$2m announced on 7 November 2013 ("EPO Loan"). The maturity date for the EPO Loan, for which US$2,938,656 including accrued interest is outstanding (as at 5 November 2018) has been extended from 7 November 2018 to 6 November 2023 (the "Loan Extension") as announced on 5 November 2018.

The key terms of the loan are as follows:

- Term – additional 5 years expiring on 6 November 2023
- Interest - USD LIBOR + 4 per cent per annum or 8 per cent per annum, whichever is the higher
- Repayment - Loan principal (together with all accrued Interest due) on expiry of the Term

The total liabilities owed by LPD to EPO as at 30 September 2019 amount to US$6,182,000 and all fall due and on the same terms as the EPO Loan as amended by the Loan Extension.

On 7 November 2019, EPO announced that KLK Agro agreed to extend the maturity of US$50.5 million of outstanding loans to LPD (the "LPD Extended Loans").

The LPD Extended Loans comprise loans of US$20.5m, announced on 27 January 2015, and US$30.0m, announced on 5 September 2016, both of which have been fully drawn down and were due to mature on 25 January 2020. The LPD Extended Loans, together with all accrued interest, are now repayable by no later than 30 October 2032 ("LPD Loan Extension").

The key terms of the LPD Extended Loans remain as follows:

- Term – expiring no later than 30 October 2032
- Interest - 3-months USD LIBOR + 5 per cent per annum
- Repayment - Loan principal (together with all accrued Interest due) on expiry of the Term or earlier at the election of LPD

The LPD Loan Extension has been agreed for nil consideration. The terms of the additional loan agreements entered into by KLK Agro and LPD dated 12 October 2017 (US$30,000,000) and 20 May 2019 (US$20,000,000) are unaffected by this LPD Loan Extension and remain payable on 10 October 2022 and 19 May 2024, respectively.

Appointment of Director

On 8 May 2019, EPO announced the appointment of Mr Patrick Kee Chuan Peng as a Non-Executive Director replacing Mr Teh Sar Moh Nee who retired.

Mr Patrick Kee Chuan Peng joined KLK in 1982. He has vast experience in all aspects of operations at KLK and was promoted to his current position as Group Plantations Director of KLK on 1 October 2017.

Mr Teh Sar Moh Nee has retired from KLK as Operations Director and accordingly steps down as a director of EPO.

On 1 November 2019, Mr Geoffrey Brown retired as an Executive Director and will now become a Non-Executive director of the Company. Michael Frayne, currently Non-Executive Chairman, has been appointed as Executive Chairman of the Company.

Corporate Social Responsibility ("CSR") and Sustainability

The Sustainability Report 2018, which was produced by KLK, describes the Company's ongoing community work in Liberia and illustrating its corporate social responsibility ("CSR") policies.

The Sustainability Report 2018 can be found at the link below:

https://www.epoil.co.uk/wp-content/uploads/2019/09/Sustainability-Report-2018.pdf

The Sustainability Report 2018 also outlines long-term policies on sustainability, the place of sustainable palm oil in Liberia, commitment to 'no-deforestation', land use commitments and buffer zones.

This Sustainability Report is intended to share our progress, development and improvements relating to sustainability. More specifically, in addition to managing sustainability governance, sustainable product development and environmental stewardship, we also seek to advance our people and partners within the community for balanced development.

We are committed to pursuing our reporting journey and will move towards seeking external assurance for future reports. Sustainability is a fundamental aspect of how we conduct business and requires effective governance, leadership and ongoing focus on compliance procedures. It also requires mechanisms to monitor external developments to ensure innovative ways of working can be adopted where relevant.

The Sustainability Report sets out our commitment to respecting local communities' rights at our concessions and focuses on stakeholder engagements between us and with the respective land owners, with FPIC being of the utmost importance to EPO. We have engaged with the same communities numerous times to ensure information is clearly communicated and any grievances addressed.

EPO is committed to ensuring economic and social benefits in Liberia for the local people and communities in which we operate and respecting their right to give consent to proposed developments or conservation through the FPIC process.

Roundtable for Sustainable Palm Oil ("RSPO")

EPO has consistently adopted best practices and procedures to ensure that the CPO produced from our estates will meet with international sustainability standards, thereby enabling our CPO to be labelled "sustainable" palm oil.

EPOs membership of the RSPO is retained through KLK's membership, with KLK having been a member of the RSPO since 2004.

Personnel

Our staff in Liberia continue to do well in a very challenging environment. Our team in Liberia is led by Mr Sashi Nambiar, who, as Country Manager, leads an experienced and capable Senior Management team.

I would like to take this opportunity to thank all our staff and contractors for their continued dedication in supporting the Company's efforts to further the growth of the business.

Financial Review

The loss of the Group for the year ended 30 September 2019 was $15,131,000 (year ended 30 September 2018: US$4,334,000). The majority of the loss comprised the Company's share of the loss in associate LPD of $15,090,000 (which was predominantly the impairment of assets at Butaw estate), which was still in early production stage during the year.

Cash held by the Group as at 30 September 2019 was US$651,000 (30 September 2018: US$138,000).

Outlook

We have made it clear to the government of Liberia and those stakeholders working with us that EPO's operations need to have a clear path to being self-sustainable. As a consequence of the HCS and HCV review, we have taken the decision to dis-continue operations at Butaw estate given there is insufficient land for oil palm development. As such, we are in discussions with the government of Liberia to seek further land that would be suitable, taking in account HCS and other required assessments and studies that are now mandatory for all new developments.

With this in mind, the next 12 months will be telling at Palm Bay as we seek an increase in yield, reduce theft and increase productivity of our workforce all with the aim of making Palm Bay estate profitable.

We still have no doubt that sustainable and controlled agricultural development in Liberia is the way to address the country's economic and social woes and this has clearly been demonstrated by the development of the palm oil industry in south-east Asia.

With this in mind, we are delighted to have commissioned the palm oil mill at Palm Bay estate and also the bulking station and export facility at the port of Buchanan. These are significant milestones for the Company and completes our operational end-to-end business that will benefit our customers by enabling them to purchase our oil palm products in bulk.

I would like to thank KLK and all of our shareholders for their continued support and I look forward to updating you on our progress in the year ahead.

Michael Frayne

CHAIRMAN

13 November 2019

STRATEGIC REPORT

Performance and Outlook

The development, performance, financial position and outlook of the Company are discussed in detail in the Chairman's Statement on pages 3 to 7.

Key performance indicators and milestones

The key performance indicators and milestones for EPO and its subsidiaries (the "Group") provide a measure of our performance against the key drivers of our strategy.

The key performance indicators of the Group for the reported period include:

- Crude Palm Oil sales

  Revenue generated by LPD's subsidiary has a direct impact on the value of the investment in associate as this drives the share of net income or loss recognised by the Company. In the current year, the bulking station and export facility at the port of Buchanan was commissioned which lead to the first sale of CPO in bulk shipment from the port of Buchanan.

- Investment in LPD

  The carrying amount of the investment in LPD (through its wholly owned subsidiary Equatorial Biofuels (Guernsey) Limited) is an indicator of the minimum realisable value of the investment in associate. In the current year, due to the discontinued operations at Butaw estate and an impairment assessment performed, the investment in LPD has been written down to nil.

The milestones of the Group for the reported period were;

- Additional US$20m funding commitment for LPD was provided from KLK Agro
- Completion of the Sustainability Report 2018

Business Risks and Uncertainties

Going concern and financial risks are discussed in Note 1 and Note 7 respectively. Going concern is also set out in the Directors' Report on page 11.

The Group has identified certain other risks pertinent to its business, which also apply to its joint venture, including:

Ebola Virus Disease

All of LPD's operational activities are located in Liberia and the Group is therefore exposed to health & safety risks associated with the Ebola outbreak in West Africa. There was an outbreak that was largely brought under control toward the end of 2015 with some additional cases of the virus reported in April 2016. On 9 June 2016, Liberia was declared Ebola-free.

During the Ebola crisis, the Company joined the Ebola Private Sector Mobilisation Group which comprises over 70 companies and 40 public bodies/NGOs with operations in or near Ebola countries. Like the Company, these companies have made long-term commitments to these countries and their people and intend to honour these commitments.

Agricultural risk

As with any agricultural operation, there are risks that crops may be affected by pests, diseases and weather conditions. Agricultural best practice, if achieved, can to some extent mitigate the risk of outbreaks of pests and diseases, but such risks cannot be entirely removed. The only significant disease in West Africa for oil palms is fusarium wilt. All seeds sourced by LPD have resistance to fusarium wilt. Unusually high levels of rainfall for the relevant plantation area can disrupt estate operations and access to the estates. There is the possibility of adverse climatic conditions including lightning strikes, lack of rainfall, excessive rainfall and insufficient sunshine. Unusually low levels of

STRATEGIC REPORT (CONT.)

rainfall that lead to water availability falling below the minimum required for the normal development of the oil palms may lead to a reduction in subsequent crop levels. Such reduction is likely to be broadly proportional to the size of the cumulative water deficit.

Whilst rainfall on our estates are estimated at above 3,000 millimetres per annum, which is well above the level of 2,000 millimetres per annum that is considered to be the minimum for growth of a palm oil plantation, there can be material variations from the norm in any individual year.

Commodity and CPO prices

The Group's earnings will be largely dependent on the prices of the commodities which it will sell. These fluctuate due to factors beyond the Group's control, including world supply and demand. The price of vegetable oils depends on the production levels of all edible oils, as many oils, including palm oil, are substitutable by users to various degrees. In particular, the price of CPO is volatile and is influenced by factors beyond the Group's control. These factors include global supply and demand of CPO, petroleum oil prices, exchange rates, interest rates, inflation rates and political events. A significant prolonged decline in CPO prices could impact the viability of some or all of the Group's activities. Additionally, production from geographically isolated countries may be sold at a discount to current market prices. To offset price risk, LPD may, from time to time, enter into hedging contracts in respect of its future CPO production.

Management attempts to mitigate the risk by modelling the sensitivity of the Group's earnings to fluctuations in the CPO price and ensuring the business model remains viable.

Training

It is a key requirement for the successful operation of Palm Bay estate that the local workforce is trained. Several well qualified trainers have been sent by KLK to Liberia from south-east Asia to assist in the training of the local workforce in the many disciplines of the running of an oil palm estate. There can be a risk to yield and therefore production if the training is not successful.

Production risks

A slowdown in collection or processing of FFB crops, including where FFB crops become rotten or over-ripe, can lead to either to a loss of CPO production (and hence revenue) or to the production of CPO that has an above average free fatty acid content and is saleable only at a discount to normal market prices. The Group has trained up over 300 harvesters and is using trainers from south-east Asia to ensure that suitable FFB crops is delivered to the mill for processing.

Environmental, social and governance

Failure by the agricultural operations to meet the standards expected, which include the new planting procedures, studies and assessments including Free, Prior and Informed Consent, High Conservation Value and High Carbon Stock Approach. This may lead to reputational and financial damage. The Group has established standard practices designed to ensure that it meets its obligations, monitors performance against those practices and investigates thoroughly and acts to prevent recurrence in respect of any failures identified.

Economic and political risks

All of LPD's operational activities are located in Liberia, and LPD is therefore dependent on the political and economic situation in Liberia. Whilst LPD intends to make every effort to ensure it has and continues to have robust commercial agreements covering its activities, there is a risk that LPD's activities and financial performance are adversely impacted by economic and political factors such as exchange rates, interest rates, inflation rates, the imposition of additional taxes and charges, cancellation or suspension of licences or agreements, expropriation, war, terrorism, insurrection, strikes and lock outs, and changes to laws governing the Group's operations including certain outcomes from HCS study. There is also the possibility that the terms of any agreement or permit in which the Group holds an interest may be changed.

Management attempts to mitigate the risk by maintaining good relations with the Liberian government.

Relationship with KLK

The Group has a joint venture agreement with KLK Agro which provides for KLK to manage LPD. There is a risk of a dispute under the joint venture agreement.

Management attempts to mitigate the risk by maintaining good relations with KLK through regular meetings and visits to Liberia to meet management and review progress. The Company's interests are also aligned with KLK's representation on the Board of EPO.

This report was approved by order of the board on 13 November 2019.

Michael Frayne

Chairman

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of Equatorial Palm Oil plc and its subsidiaries (the "Group") for the year ended 30 September 2019.

Principal Activities

The principal activity of the Group is the cultivation of oil palms for the production of crude palm oil and associated products in Liberia.

Results and Dividends

The loss of the Group after taxation for the 12 months ended 30 September 2019 amounted to $15,131,000 (12 months ended 30 September 2018: Loss of $4,334,000).

The Directors do not propose the payment of a dividend (2018: nil).

Directors

The Directors who served during the year ended 30 September 2019 are as follows:

- Michael Frayne
- Geoffrey Brown
- Lee Oi Hian
- Yap Miow Kien
- Lee Guo Zhang
- Patrick Kee Chuan Peng – appointed 8 May 2019
- Teh Sar Moh Nee – resigned 8 May 2019

Insurance

The Group maintained insurance in respect of its Directors and Officers against liabilities in relation to the Group.

Financial Instruments

Financial instrument risks are discussed in Note 7.

Events after the Reporting Period

Significant events after the reporting period, being 30 September 2019, but before the approval of these financial statements, are set out in Note 20.

Going Concern

The financial statements have been prepared on a going concern basis.

Based upon the Company's current cash balance and forecast income and expenditure, the Directors consider that the Company will have sufficient cash to fund the Company's ongoing commitments for a period of at least a year after the approval of these financial statements.

Based upon the current financial position of LPD, which held US$1,378,000 (2018: US$1,078,000) in cash as at 30 September 2019 and has available funds to draw down in the amount of US$14.7m pursuant to the Loan Agreement as at year end, the Directors are satisfied that LPD is able to fund its activities for a period of at least 12 months from the date of the approval of these financial statements. The KLK loans to LPD that were due in January 2020, of US$50.5m have been extended by KLK to October 2032, through an extension agreement signed on 7 November 2019. There are additional loan amounts due from LPD to KLK, the earliest of which is due in October 2022, as disclosed in Note 16. KLK have provided a letter of support to LPD, which states that KLK will provide further funding as necessary in order for LPD to continue its normal operations and meet its financial and loan obligations.

Employment Policies and Remuneration

The Group is committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure ongoing success for the business. Employees and those who seek to work with the Group are treated equally regardless of sex, marital status, creed, age, colour, race or ethnic origin.

The Company remunerates the Directors at a level commensurate with the size of the Company and the experience of its Directors. The Remuneration Committee has reviewed the Directors' remuneration and believes it upholds the objectives of the Company with regards to this issue.

Details of Directors' emoluments and payments made for professional services rendered are set out in Note 4 to the financial statements.

Health & Safety

The Group's aim is to maintain its record of workplace safety. In order to achieve this objective, the Group provides training and support to employees and sets demanding standards for workplace safety.

Auditors

The Company's auditor, BDO LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006. BDO has signified its willingness to continue in office as auditor.

Corporate Governance

The Directors are committed to maintaining high standards of corporate governance. The Directors have established procedures, so far as is practicable given the Company's size, to comply with the QCA Corporate Governance Code (the "QCA Code"). The Board recognises the principles of the QCA Code, which focus on the creation of medium to long-term value for shareholders without stifling the entrepreneurial spirit in which small to medium sized companies, such as EPO, have been created. The specific areas of the QCA Code with which the Company does not apply are set out below (and within the Corporate Governance section on the Company's website – www.epoil.co.uk), and the Company will provide annual updates on its compliance with the QCA Code in its Annual Report.

The Company has adopted and operates a share dealing code for Directors and senior employees on substantially the same terms as the Model Code, which is appended to the Listing Rules of the UKLA.

The Board

The Board holds regular meetings and is responsible for formulating, reviewing and approving EPO's strategy, budgets and corporate actions and overseeing the Company's progress towards its goals. To enable the Board to perform its duties, each of the Directors has full access to all relevant information and to the services of the Company Secretary. If necessary, the Non-Executive Directors may take independent professional advice at the Company's expense. The Board currently includes five Non-Executive Directors. Full biographies for each Director are as follows:

Mr Michael Frayne

Executive Chairman

Michael Frayne has a Bachelor of Commerce Degree majoring in accounting and finance, a Bachelor of Science Degree majoring in Geology and a Postgraduate Diploma in Applied Finance and Investment from the Securities Institute of Australia. He is a Chartered Accountant and a member of the Australian Institute of Mining and Metallurgy. Mr Frayne was previously employed at major international accounting firm, Ernst & Young, and consulted to a number of resource and commodity companies. He then worked directly in the resource industry including Great Central Mines Ltd (now part of Newmont Ltd). He then joined the corporate team of Minara Resources Ltd (formerly Anaconda Nickel Ltd), the majority owner of the Murrin Murrin Nickel Cobalt Project in

Western Australia whose major investors were Anglo American Group and Glencore International. Since 2002, Michael has provided corporate management and advice to the resource, commodity and energy sectors, successfully listing several companies with projects in Australia, Southern Africa, Asia, North and South America, onto AIM and the Australian Stock Exchange. Michael also founded and was the joint managing director of Asia Energy plc. Michael is one of the founders of the Company.

Mr Geoffrey Brown

Non-Executive Director

Geoffrey Brown has over 55 years' experience in the plantation sector. He joined Harrisons & Crosfield plc in Malaysia in 1962 where he was employed on various estates growing oil palm and rubber. He moved to Indonesia in 1976 and was made responsible for Harrisons & Crosfield's interests in that country. He was appointed Executive Chairman of London Sumatra Indonesia in 1982 and remained Managing Director of this large Indonesian plantation company until 1998. In 1990, he was appointed an Executive Director of Harrisons & Crosfield plc, responsible for the plantation division. Harrisons & Crosfield plc owned and managed plantations of rubber, oil palms, cocoa, coffee and tea in Indonesia, and oil palm and coffee in Papua New Guinea. He remained an Executive Director of Harrisons & Crosfield plc until the company divested itself of its plantation interests in 1994. In 1999 and 2000, he co-ordinated the expansion of oil palm plantations belonging to the Musim Mas Group in Indonesia and then became a consultant specialising in plantation management. In 2006 he joined the EPO group of companies and has been an Executive Director of EPO since the company was listed on the AIM market of the London Stock Exchange in in 2010.

Mr Lee Oi Hian

Non-Executive Director

Mr Lee Oi Hian has been the Chief Executive Officer of KLK since 2001. He joined the Company in 1974 as an executive and was appointed to the Board of KLK in 1985. In 1988, he was appointed as Managing Director and became Chairman of KLK Group in 1993. He subsequently held the post of joint Chairman and Chief Executive Officer until 2008, when he relinquished his role as Chairman, remaining as Chief Executive Officer of the Group. He has served in various positions in the plantations industry, including the Malaysian Palm Oil Council, the Malaysian Palm Oil Board and the Malaysian Cocoa Board. He is also currently the Chairman of Batu Kawan Berhad, and a trustee of several charitable organisations. Mr Lee Oi Hian is also an Honorary Fellow of the Malaysian Oil Scientists' and Technologies' Association (MOSTA) and Honorary Fellow of the Incorporated Society of Planters (FISP).

Ms Yap Miow Kien

Non-Executive Director

Ms Yap Miow Kien joined KLK in 2002 and is currently its Company Secretary and Senior General Manager (Legal and Secretariat). Prior to joining KLK, Ms Yap was a partner in a law firm. She is an Associate of the Malaysian Institute of Chartered Secretaries and Administrators. She was called to the bar at Middle Temple and completed a Bachelor of Law (Hons) at the University of Leeds.

Mr Lee Guo Zhang

Non-Executive Director

Mr Lee Guo Zhang graduated with a bachelor's degree in Medicinal & Biological Chemistry from the University of Nottingham in 2009. He joined KLK in 2010 as an executive and has experience across various departments in the Company. He is currently Assistant General Manager in the Plantations Division.

Mr Patrick Kee Chuan Peng – appointed 8 May 2019

Non-Executive Director

Mr Patrick Kee Chuan Peng has served KLK's subsidiaries in various capacities from Assistant, Manager, General Manager to Regional Director in West Malaysia, Sabah and Indonesia. He is an Associate Member of the Incorporated Society of Planters. He has also attended the Senior Management Development Programme conducted by Harvard Business School and Advance Management Programme of INSEAD.

Mr Teh Sar Moh Nee – retired 8 May 2019

Non-Executive Director

Mr Teh Sar Moh Nee started his planting career in 1976 in Sime Darby Plantation Berhad before joining the KLK Group in 1984. He serves as Regional Director (Peninsular Malaysia) of the KLK Group and has also held the position of Chief Executive Officer at Ladang Perbadanan-Fima Berhad since May 2008. He is a Council Member and 2nd Deputy President of the Malaysian Agricultural Producers Association ("MAPA") and also sits on MAPA's Finance/Executive Committee and Negotiating Committee. Mr Teh Sar Moh Nee attended the Senior Management Programme at Harvard Business School and Senior Executive Programme at Stanford University Business School.

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company on the other, to enable it to discharge its duties and responsibilities effectively, and that all Directors have adequate time to fill their roles.

The role of the Chairman is to provide leadership of the Board and ensure its effectiveness on all aspects of its remit to maintain control of the Group. In addition, the Chairman is responsible for the implementation and practice of sound corporate governance. The Chairman is considered to be an independent Non-Executive in terms of the QCA guidelines and has adequate separation from the day-to-day running of the Group.

The Board has delegated specific responsibilities to the committees, with clearly defined terms of reference which are set out by the Board, as described below.

The Audit Committee

The Company has established an Audit Committee, which comprises four Directors, Mr Lee Oi Hian, Ms Yap Miow Kien, Mr Michael Frayne and is chaired by Mr Geoffrey Brown since his appointment as a non-executive on 1 November 2019. The Audit Committee meets at least twice each year and at any other time when it is appropriate to consider and discuss audit and accounting related issues. The Audit Committee is responsible for monitoring the quality of internal controls and for ensuring that the financial performance of the Company is properly monitored, controlled and reported on. It reviews a wide range of matters, including half-year and annual results before their submission to the Board. It also meets the Company's auditors without the executive Board members present and reviews reports from the auditors relating to financial statements and internal control systems.

The Remuneration Committee

The Company has established a Remuneration Committee, which comprises three Directors, Mr Geoffrey Brown, Ms Yap Miow Kien, and is chaired by Mr Lee Oi Hian. The Remuneration Committee reviews the performance of the Executive Directors and sets the scale and structure of their remuneration and the basis of their service agreements with due regard to the interests of shareholders. Further, when formulating the scale and structure of remuneration, the Remuneration Committee takes account of a number of different factors including market practise and external market data of the level of remuneration offered to Directors of similar type and seniority in other companies whose activities and size are similar. In determining the remuneration of Executive Directors, the Remuneration Committee seeks to enable the Company to attract and retain executives of the highest calibre.

The Remuneration Committee also makes recommendations to the Board concerning the allocation of share options, bonus schemes, pension rights and compensation payments. No Director is permitted to participate in discussions or decisions concerning their own remuneration.

The Nominations Committee

The Company has established a Nominations Committee, which comprises three Directors, Mr Geoffrey Brown, Ms Yap Miow Kien, and is chaired by Mr Lee Oi Hian. This committee reviews the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and makes recommendations to the Board with regard to any changes. In addition, it gives full consideration to succession planning for Directors and other senior executives, and is responsible for identifying, evaluating and nominating Board candidates. It also reviews annually the time required from Non-Executive Directors.

Application of the QCA Code

In the spirit of the QCA Code, it is the Board's job to ensure that the Group is managed for the long-term benefit of all shareholders and other stakeholders with effective and efficient decision-making. Corporate governance is an important part of that job, reducing risk and adding value to the Group. The Board will continue to monitor the governance framework of the Group as it grows.

The Company remains committed to listening to, and communicating openly with, its shareholders to ensure that its strategy, business model and performance are clearly understood. The AGM is a forum for shareholders to engage in dialogue with the Board. The results of the AGM will be published via RNS and on the Company's website. In addition, the Board organises update meetings with both the shareholders and the Company's broker. Progress reports are also made via RNS and the point of contact is Mr Sandy Barblett, General Manager – Commercial – enquires@epoil.co.uk.

EPO maintains close relationships with all its stakeholders. EPO is continually seeking consent and feedback from the communities in which it operates. Furthermore, the Company is committed to the ongoing human rights due diligence process and will continually monitor and evaluate processes and procedures it operates to ensure that it respects human rights throughout its operations.

EPO's senior management maintains a close dialogue with local communities and its workforce. Where issues are raised, the Board takes the matters seriously and, where appropriate, steps are taken to ensure that these are integrated into the Company's strategy.

Particular attention is given to the way in which EPO carries out its operations. Sustainability is a key facet of EPO's operations and the Group produces a separate Sustainability Report each year to describe long-term policies on sustainability, the place of sustainable palm oil in Liberia and the Group's commitment to 'no-deforestation',

Both the engagement with local communities and the performance of all activities in an environmentally and socially responsible way are closely monitored by the Board and ensure that ethical values and behaviours are recognised.

The Directors are responsible for EPO's system of internal controls and reviewing its effectiveness. Although, no system of internal control can completely eliminate the risk of failure to achieve business objectives or provide absolute assurance against material misstatement or loss, the Company's controls are designed to provide reasonable assurance over the reliability of financial information and EPO's assets.

Departure from the QCA Code:

In accordance with the AIM Rules for Companies, EPO departs from the QCA Code in the following ways:

Principle 5 – "Maintain the board as a well-functioning, balanced team led by the chair"

The QCA Code recommends that the Board has at least two independent Non-Executive Directors. EPO only has one non-executive director who is deemed by the Board to be independent, being Geoffrey Brown, notwithstanding prior his tenure as an executive director.

The Board strives to foster an attitude of independence of character and judgement. An example of this is where there is a related party transaction – such as a loan from a company related to KL-Kepong International Limited, the Company's JV partner and a subsidiary of KLK, to LPD. In this instance a detailed Working Paper is drawn up for the Non-Related Directors to ensure that the loan is fair and reasonable in all respects. Both the Company's lawyers and the Nomad are also consulted as part of the Non-Related Directors' deliberations.

The QCA Code recommends the Remuneration Committee should be comprised of independent directors. The Company's Remuneration Committee is currently made up of one independent non-executive director and two non-executive directors from KLK. The KLK appointed directors of EPO have agreed not to take a salary from the Company, and accordingly the Board believes the composition of the Remuneration Committee is suitable.

Principle 7 – "Evaluate board performance based on clear and relevant objectives, seeking continuous improvement"

EPO's Board is small and extremely focussed on implementing the Company's strategy. However, given the size and nature of EPO, the Board does not consider it appropriate to have a formal performance evaluation procedure in place, as described and recommended in Principle 7 of the QCA Code. The Board will closely monitor the need for formal performance evaluation, in light of Principle 7 of the QCA Code, as the Company develops.

Control Procedures

The Board has approved financial budgets and cash forecasts. In addition, it has implemented procedures to ensure compliance with accounting standards and effective reporting.

Provision of information to auditors

As far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken appropriate steps to ensure that they are aware of such relevant information, and that the Company's auditors are aware of that information.

Annual General Meeting

This report and financial statements will be presented to shareholders for their approval at an Annual General Meeting ("AGM"). The Notice of the AGM will be distributed to shareholders together with the Annual Report.

By order of the Board

Michael Frayne

Chairman

13 November 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the directors and the Financial Statements of the Group and the Company in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the directors have elected to prepare both the Group and parent company Financial Statements in accordance with International Financial Reporting Standards ("IFRSs"), as adopted by the European Union. Under company law the directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and of the Group for that period. In preparing these Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRS's have been followed in the Group Financial Statements, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the EPO website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions. The work carried out by the auditors does not involve the consideration of the maintenance and integrity of the website and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the financial statements since they were initially presented on the Company's website.

They are further responsible for ensuring that the Strategic Report and the Report of the directors and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

By order of the Board

Michael Frayne

Chairman

13 November 2019

Independent auditor's report to the members of Equatorial Palm Oil plc

Opinion

We have audited the financial statements of Equatorial Palm Oil plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2019 which comprise the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group and Company Statement of Cash Flows, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2019 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Matter	Our Response
Impairment risk of loan to associate	
As shown in the Group Statement of Financial Position and disclosed in notes 1 and 10, the Group has a receivable of US$6.2m due from its associate, Liberian Palm Development Limited (LPD). This loan represents the main asset of the Group. The assessment of potential impairment of the loan is a matter requiring judgement and estimates by Management, and accordingly is considered to be a key audit matter.	We reviewed Management's impairment assessment of the loan receivable from LPD. Our review involved the following: - Verifying that the assessment was carried out in accordance with the requirements of IFRS 9. - Assessing the disclosures in the financial statements against the requirements of the accounting standards. In order to corroborate Management's assessment that there has been no significant increase in credit risk, we reviewed a letter provided by the Group's parent company, KLK, confirming that they will support the repayment of the loan to EPO. We considered the period over which the letter of support is effective and confirmed the letter of support will still be effective on the contractual repayment date. We checked that KLK has a history of providing financial support to the Group by way of interest repayments. We assessed KLK's ability to continue to support the repayment of the EPO loan using publicly available information such as KLK's latest available accounts.

Our findings:

Based on the results of our testing, we did not identify any indication that additional impairment on the loan receivable from associate is required.

Matter	Our Response
Going concern As disclosed in Note 1, the financial statements have been prepared on a going concern basis. The Group's operations, which comprise its overheads, are currently funded by the Group's cash resources, including cash received from the management fee and interest receipts from the Group's associate, LPD. The Group's associate, LPD, has entered into the production phase and management has also reviewed the cash flow forecasts of LPD. These projections include judgement and estimates, and accordingly this area is considered to be a key audit matter.	We critically assessed the Group's financial forecast models, over a period of 12 months from the approval of the financial statements, and the key underlying estimates and judgements. In doing so, we considered factors such as the Group's historical overhead expenditure, management recharges and interest receipts, and we compared these with the forecasts to assess whether the forecasts are reasonable. We reviewed the forecasts of LPD for a period of 12 months from the approval of the Group financial statements. We reviewed the estimates and judgements in the LPD forecasts and corroborated them to actual historic performance and LPD's capital expenditure budgets. We noted that, as disclosed in the financial statements, LPD remains reliant on the financial support of KLK. We reviewed the letter of support provided by KLK which, as stated in the director's report, states that KLK will provide further funding as necessary in order for LPD to continue its normal operations. We reviewed the history of KLK providing financial support to LPD by way of loans. We also reviewed the loan extension agreement signed in November 2019 that extends the maturity date of the US$50.5 million loan from KLK to LPD from January 2020 to October 2032. We assessed KLK's ability to support LPD using publicly available information such as KLK's latest available accounts.
Our findings: We found the directors' use of the going concern basis to be appropriate.	

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken based on the financial statements. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take into account the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

	Group materiality	Basis for materiality
FY 2019	USD 1,500,000	Materiality based on 1.5% of LPD Group assets.
FY 2018	USD 1,600,000	Materiality based on 1.2% of LPD Group assets.

EPO is a company which holds a 50% joint venture interest in Liberian Palm Development Limited (LPD). LPD is in its early stage production phase with regards to its Crude Palm Oil (CPO) and Palm Kernel Oil (PKO) operations. The group's operations are not at an optimal level to generate profits and it is considered therefore that the value of the Group lies in its investment in the LPD group. Based on this we consider the total assets of LPD to be the driver of the materiality for EPO as this reflects the basis on which the Group will be able to generate future profits.

Whilst materiality for the Financial Statements as a whole was USD1.5 million (FY 2018: USD 1.6 million), each significant component of the Group was audited to a lower materiality of USD1 million (2018: USD1 million).

Materiality in respect of the audit of the parent Company was set at USD 1 million using a benchmark of 70% of Group materiality, with a specific materiality of USD 50,000 on the parent company statement of comprehensive income (2018: USD 1.1 million using a benchmark of 70% of Group materiality).

Performance materiality is the application of materiality at the individual account or balance level set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality for the Group was set at USD1.1 million (2018: USD 1.2million). Performance materiality for EPO was set at USD 0.75 million, with specific performance materiality of USD 35,000 on the parent company statement of comprehensive (2018: USD 0.8 million).

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of USD 75,000 (2018: USD 80,000). We also agreed to report differences below these thresholds that, in our view warranted reporting on qualitative grounds

An overview of the scope of our audit

Whilst EPO is an AIM listed company, the Group has a significant investment in a Liberian joint venture. We assessed there to be 4 significant components being EPO, LPD, LIBINC Oil Palm Inc. and Liberia Forest Products Inc.

Full scope audits were performed on the 4 significant components by BDO LLP which included a visit to Liberia to perform the required audit procedures. The BDO audit team performed an audit of EPO as a standalone entity, along with the audit of the significant components, and the consolidation.

The remaining 5 components of the Group were considered non-significant and such components were subject to analytical review procedures together with substantive testing on Group audit risk areas applicable to that component, carried out by BDO LLP.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained in greater detail in the directors' responsibilities statement set out on page 17, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jack Draycott (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom

13 November 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

GROUP STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended 30 September 2019 $'000	Year ended 30 September 2018 $'000
Revenue	11	167	176
Administrative expenses		(717)	(721)
Operating loss	2	(550)	(545)
Interest income	10	503	535
Other income	11	6	33
Share of loss of associate	8	(15,090)	(4,357)
Loss for the year before and after taxation attributable to owners of the Company	3	(15,131)	(4,334)
Other comprehensive income			
Exchange losses arising on translation of foreign operations		-	(4)
Total comprehensive loss for the year attributable to owners of the Company		**(15,131)**	**(4,338)**
Loss per share expressed in cents per share			
- Basic & diluted	6	(4.2) cents	(1.2) cents

The notes on pages 30 to 49 form part of these financial statements.

GROUP STATEMENT OF FINANCIAL POSITION
Registered Number 05555087

	Notes	As at 30 September 2019 $'000	As at 30 September 2018 $'000
ASSETS			
Non-current assets			
Investment in associate	8	-	15,090
Property, plant and equipment		3	3
Receivables from associate	10	6,223	6,789
		6,226	21,882
Current assets			
Trade and other receivables	12	21	22
Cash & cash equivalents	15	651	138
		672	160
LIABILITIES			
Current liabilities			
Trade and other payables	13	40	53
		40	53
Net current assets		632	107
NET ASSETS		6,858	21,989
SHAREHOLDERS' EQUITY			
Share capital	14	5,598	5,598
Share premium		46,791	46,791
Foreign exchange reserve		518	518
Retained loss		(46,049)	(30,918)
Total equity		6,858	21,989

The financial statements were approved by the Board of Directors on 13 November 2019 and were signed on its behalf by:

Michael Frayne

Chairman

The notes on pages 30 to 49 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
Registered Number 05555087

	Notes	As at 30 September 2019 $'000	As at 30 September 2018 $'000
ASSETS			
Non-current assets			
Investment in subsidiaries	8	-	15,842
Property, plant and equipment		3	3
Receivables from associate	10	6,223	6,789
		6,226	22,634
Current assets			
Trade and other receivables	12	20	21
Loans to subsidiaries	9	156	150
Cash & cash equivalents	15	651	138
		827	309
LIABILITIES			
Current liabilities			
Trade and other payables	13	40	53
		40	53
Net current assets		787	256
NET ASSETS		7,013	22,890
SHAREHOLDERS' EQUITY			
Share capital	14	5,598	5,598
Share premium		46,791	46,791
Foreign exchange reserve		(1,085)	(742)
Retained loss		(44,291)	(28,757)
Total equity		7,013	22,890

As permitted by section 408 of the Companies Act 2006, the statement of comprehensive income of the Company has not been separately presented in these financial statements. The Company loss for the year was $15,534,000 (2018: $4,141,000).

The financial statements were approved by the Board of Directors on 13 November 2019 and were signed on its behalf by:

Michael Frayne

Chairman

The notes on pages 30 to 49 form part of these financial statements.

GROUP AND COMPANY STATEMENT OF CASH FLOWS

	Group Year ended 30 September 2019 $'000	Group Year ended 30 September 2018 $'000	Company Year ended 30 September 2019 $'000	Company Year ended 30 September 2018 $'000
Cash flows from operating activities				
Loss for the year before and after taxation	(15,131)	(4,334)	(15,534)	(4,141)
Depreciation	1	1	1	1
Decrease/(Increase) in receivables	1	(4)	1	(4)
Decrease in payables	(13)	(9)	(13)	(9)
Unrealised translation forex gain	-	-	-	(193)
Interest income	(503)	(535)	(503)	(535)
Other income	-	(31)	(6)	(31)
Share of loss of associate/impairment of investment (less unrealised forex gain)	15,090	4,357	15,499	4,357
Net cash used by operating activities	(555)	(555)	(555)	(555)
Cash flows from investing activities				
Purchase of property, plant and equipment	(1)	(2)	(1)	(2)
Repayment of loan to associate	559	34	559	34
Interest income received	510	448	510	448
Other income received	-	35	-	35
Net cash generated by investing activities	1,068	515	1,068	515
Cash flows from financing activities				
Issue of ordinary share capital	-	-	-	-
Net cash flow from financing activities	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	513	(40)	513	(40)
Cash and cash equivalents at beginning of period	138	182	138	182
Exchange loss on cash and cash equivalents	-	(4)	-	(4)
Cash and cash equivalents at end of period	651	138	651	138

The notes on pages 30 to 49 form part of these financial statements.

GROUP STATEMENT OF CHANGES IN EQUITY

GROUP	Called up share capital $'000	Share premium reserve $'000	Foreign exchange reserve $'000	Retained earnings $'000	Total equity $'000
As at 30 September 2017	**5,598**	**46,791**	**522**	**(26,584)**	**26,327**
Loss for the year	-	-	-	(4,334)	(4,334)
Other comprehensive loss for the year	-	-	(4)	-	(4)
As at 30 September 2018	**5,598**	**46,791**	**518**	**(30,918)**	**21,989**
Loss for the year	-	-	-	(15,131)	(15,131)
Other comprehensive loss for the year	-	-	-	-	-
As at 30 September 2019	**5,598**	**46,791**	**518**	**(46,049)**	**6,858**

The following describes the nature and purpose of each reserve within owners' equity:

Share capital	Amount subscribed for share capital at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value.
Foreign exchange	Foreign exchange differences arising on translating into the reporting currency.
Retained earnings	Cumulative net gains and losses recognised in the financial statements.

The notes on pages 30 to 49 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

COMPANY	Called up share capital $'000	Share premium reserve $'000	Foreign exchange reserve $'000	Retained earnings $'000	Total equity $'000
As at 30 September 2017	**5,598**	**46,791**	**(555)**	**(24,616)**	**27,218**
Loss for the year	-	-	-	(4,141)	(4,141)
Other comprehensive loss for the year	-	-	(187)	-	(187)
As at 30 September 2018	**5,598**	**46,791**	**(742)**	**(28,757)**	**22,890**
Loss for the year	-	-	-	(15,534)	(15,534)
Other comprehensive loss for the year	-	-	(343)	-	(343)
As at 30 September 2019	**5,598**	**46,791**	**(1,085)**	**(44,291)**	**7,013**

The following describes the nature and purpose of each reserve within owners' equity:

Share capital	Amount subscribed for share capital at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value.
Foreign exchange	Foreign exchange differences arising on translating into the reporting currency.
Retained earnings	Cumulative net gains and losses recognised in the financial statements.

The notes on pages 30 to 49 form part of these financial statements.

1. Summary of Significant Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

Authorisation of financial statements

The consolidated financial statements of EPO, a company registered in England and Wales with registered address being 6th Floor, 60 Gracechurch Street, London, United Kingdom, EC3V 0HR, for the year ended 30 September 2019 were authorised for issue by the Board of Directors on 13 November 2019 and the statements of financial position signed on the Board's behalf by Michael Frayne.

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and IFRIC interpretations and with those parts of the Companies Act, 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared to the nearest $'000.

These financial statements have been prepared on a going concern basis, as disclosed in the directors' report.

Going concern

The financial statements have been prepared on a going concern basis.

Based upon the Company's current cash balance and forecast income and expenditure, the Directors consider that the Company will have sufficient cash to fund the Company's ongoing commitments for a period of at least a year after the approval of these financial statements. The Company's forecast expenditure is expected to be funded by the management fees (revenue) and interest received from the associate, LPD. As a result, the directors have also considered the going concern assumption of the associate below and based on this, concluded that the going concern assumption on EPO is appropriate.

Based upon the current financial position of LPD, which held US$1,378,000 (2018: US$1,078,000) in cash as at 30 September 2019 and has available funds to draw down in the amount of US$14.7m pursuant to the Loan Agreement as at year end, the Directors are satisfied that LPD is able to fund its activities for a period of at least 12 months from the date of the approval of these financial statements. The KLK loans to LPD that were due in January 2020, of US$50.5m have been extended by KLK to October 2032, through an extension agreement signed on 7 November 2019. There are additional loan amounts due from LPD to KLK, the earliest of which is due in October 2022, as disclosed in Note 16. KLK have provided a letter of support to LPD, which states KLK will support LPD with their normal trading operations, capital needs, financial and loan obligations. The Company has also considered the following in relation to the reliability of the letter of support in assessing the going concern assumption of LPD;

- KLK has a strong financial position, from its latest available financial information that indicates its ability to financially support the associate.
- KLK provided an additional loan facility of US$20m in the year to the associate.
- KLK has extended loans to LPD that were due in January 2020, of US$50.5m, to October 2032, through an extension agreement signed on 7 November 2019.

Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee; exposure to variable returns from the investee; and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the "Group"). The financial

statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions, are eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Foreign currency translation

(i) Functional and presentation currency

Items included in the individual financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US Dollars, which is EPO's presentation currency and differs from its functional currency, which is Sterling. The Company's strategy is focused on developing its investment in Liberian oil palm funded by shareholder equity which are principally denominated in Sterling. The Company's associate operations are funded by shareholder equity and other financial liabilities, which are principally denominated in US dollars.

(ii) Transactions and balances

Transactions denominated in a foreign currency are translated into the functional currency at the exchange rate at the date of the transaction. Assets and liabilities in foreign currencies are translated to the functional currency at rates of exchange ruling at the reporting date. Gains or losses arising from settlement of transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income for the period.

(iii) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- income and expenses for each statement of comprehensive income are translated at the average exchange rate; and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognised in the statement of comprehensive income as part of the gain or loss on sale.

Investment in associate

The Group's interest in LPD is disclosed in Note 8. This investment is included in the financial statements and accounted for using the equity method. The Group's share of the gains or losses of LPD are included within the statement of comprehensive income, except for exchange gains and losses on translation. Where the Group's share of the loss of LPD is in excess of the carrying value of the Group's investment in LPD, the share of the Group's loss that is recognised by the Group is limited to the total carrying value of its investment. LPD prepares financial statements in accordance with the Group's accounting policies.

In the company only financial statements Investments in subsidiary undertakings are stated at cost less any provision for impairment in value.

Impairment of non-financial assets

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income.

Property, plant and equipment

The accounting policies of the Group's associate in respect of property, plant and equipment are:

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Palm oil trees before maturity are measured at accumulated cost, and depreciation commences upon reaching maturity.

Oil palms which are not yet harvestable or not producing fresh fruit bunches ("FFB"), are classified as immature and are valued at cost. This is comprised of all costs such as direct materials, labour and an appropriate proportion of overheads incurred to bring the oil palms to maturity. Once classified as mature, these costs are recognised through profit or loss.

Depreciation is provided on all plant and equipment to write off the cost less estimated residual value of each asset over its expected useful economic life at the following annual rates:

Straight-Line	
Bulking Station / Kernel Crusher Plant	10%
Buildings	7%
Plant and Equipment	20% - 33%
Vehicles	20% - 33%
Palm Oil Mill	10%
Palm Oil Trees	5%

Assets under construction are carried within a separate category of property, plant and equipment at cost and are not depreciated until they are commissioned.

Liberian leasehold (concession) land is depreciated on a straight-line basis over the term of the agreement being 55 years.

Plantation development comprises all plantation development costs such as direct materials, labour and an appropriate proportion of fixed overheads.

Biological Assets

The accounting policies of the Group's associate in respect of Biological assets are:

The FFB on the mature oil palms are carried at fair value less cost to sell. Fair value of FFB is determined using the income approach which considers the net cash flow that would be generated from the unharvested FFB. To arrive at the fair value, management has considered the oil content of unharvested FFB is highest 15 days prior to harvest, those unharvested FFB more than 15 days prior to harvest are excluded from the valuation as their oil content is considered immaterial

Revenue Recognition

The accounting policies of the company and Group's associate in respect of revenue recognition are:

IFRS 15 was adopted from 1 October 2018. There were no material changes to the revenue arising from the adoption.

Performance obligations and timing of revenue recognition

EPO's revenue is derived from management services provided to the associate LPD. This revenue is recognised when the management services are provided as per the signed agreement on a quarterly basis.

The associate's revenue is derived from its subsidiary selling oil palm products with revenue recognised at a point in time when control of the oil palm products has transferred to the customer.

This is generally when the products are delivered to the customer. However, for export sales, control is transferred when delivered to the port of departure. This depends on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the associate no longer has physical possession and retains none of the significant risks and rewards of the products in question.

Determining the transaction price

The Company's and associates revenue is derived from fixed price contracts, i.e. management fees agreement and oil palm product sale agreements respectively. Therefore, the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Allocating amounts to performance obligations

For both the management fee agreement and oil palm product sales contract, there is a fixed unit price for services rendered and product sold respectively. Therefore, there is no judgement involved in allocating the contract price to the management services rendered or each oil palm product unit ordered in such contracts of EPO and the associate respectively.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the period. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised.

Financial Instruments

The Group has adopted IFRS 9 for the first time in the current year. The standard requires an entity to address the classification, measurement and recognition of financial assets and liabilities. The impact of this adoption and transition at the beginning of the financial year, 1 October 2018, has not had a material impact on the Group's financial statements.

From 1 October 2018

a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

Amortised cost

Management accounts for loan receivable at amortised cost as the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset.

For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised.

For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in statement of comprehensive income as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/ (losses) in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Pre 1 October 2018

Trade and other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of any provision is recognised in the statement of comprehensive income.

Cash and cash equivalents consist of cash on hand and cash held on current account or on short-term deposits, with initial maturity of three months or less at variable interest rates. Any interest earned is accrued monthly and classified as interest.

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans are initially recorded at fair value less any directly attributable costs, with subsequent measurement at amortised cost. Finance costs are accounted for on an accrual basis in the statement of comprehensive income using the effective interest method.

The Group's financial assets consist of cash on hand and cash held on current account or on short-term deposits, with initial maturity of three months or less at variable interest rates, and other receivables. Any interest earned is accrued monthly and classified as interest. Trade and other receivables are stated initially at fair value and subsequently at amortised cost.

The Group's financial liabilities consist of trade and other payables. All are non-derivative assets. The trade and other payables are stated initially at fair value and subsequently at amortised cost.

Segment information

The Group complies with IFRS 8 Operating Segments, which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segments and to assess their performance.

In the opinion of the Directors, the operations of the Group comprise one class of business, being the cultivation of oil palms for the production of crude palm oil and associated products in Liberia.

Critical accounting estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, expenses and related disclosures. The estimates and underlying assumptions are based on practical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates may be necessary, if there are changes in the circumstances on which the estimate was based or as a result of new information. Such changes are made in the period in which the estimate is revised.

Critical accounting judgements

In the process of applying the Company and Group accounting policies, management has made the following judgements based on the relevant facts and circumstances including macro-economic circumstances and, where applicable, interpretation of underlying agreements, which have the most significant effect on the amounts recognised in the financial statements.

(i) Determination of control of subsidiaries and joint arrangements (Note 8)

The Company, through its investment in Equatorial Biofuels (Guernsey) Limited, owns a 50% interest in LPD.

In the period ended 30 September 2014, a Joint Venture Agreement ("JVA") was signed pursuant to which cash and funding commitments of up to $35.5m were made available to LPD. Under the JVA, the Company retained a 50% economic and voting interest in LPD. Also, under the JVA, KLK has the power to appoint the Chairman to the Board of LPD and in the case of a tied vote the Chairman has the casting vote. For this reason, the Company accounts for its investment in LPD as an equity investment in which it has significant influence.

Key sources of estimation uncertainty

In the process of applying the Company and Group's accounting policies, management has made key estimates and assumptions concerning the future and other key sources of estimation uncertainty. The key areas where management have made estimates and assumptions are:

i) Impairments and impairment reversals in investments (Note 8)

Investments in subsidiaries and associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be fully recoverable. If an asset's recoverable amount is less than the asset's carrying amount, an impairment loss is recognised in the statement of comprehensive income. If the asset was impaired in prior periods and their recoverable amount exceeds their carrying amount, an impairment reversal is recorded in the statement of comprehensive income. Future cash flow estimates which are used to calculate the asset's recoverable amount are discounted using an asset specific discount rate and are based on expectations about future operations of the associate, primarily comprising estimates about production and sales volumes, commodity prices (considering current and future prices, price trends and related factors), available development land and concessions, operating costs and capital expenditures. Estimates are reviewed regularly by management. Changes in such estimates and in particular, deterioration in the commodity pricing outlook and production volumes, could impact the recoverable values of the investment in subsidiaries and associates, whereby some or all of the carrying amount may be impaired or the impairment charge reversed (if pricing outlook and production volumes improves significantly) with the impact recorded in the statement of comprehensive income. In the current year, the investment in LPD through EPO's wholly owned subsidiary, Equatorial Biofuels (Guernsey) Limited was fully impaired to nil.

i) Impairments of loan receivable (Note 10)

Impairment assessment of loan receivable from associate is assessed using the IFRS 9 criteria which involves the use of judgement and assumptions due to the consideration of forward-looking information. In assessing the impairment of the loan to associate, the Company considered whether there has been a significant increase in credit risk as at the reporting date. As the associate received a signed letter of support from KLK which confirms their intention to support LPD with their normal trading operations, capital needs, financial and loan obligations, the Company has concluded that there is no significant increase in credit risk. Therefore, the Company has applied a stage one 12 months expected credit loss model to estimate the impairment. The Company has assessed a nil expected credit loss on the loan to associate as the probability of default occurring in the future 12 months is zero due to the following developments;

- The associate has successfully commissioned the palm oil mill and bulking station which will lead to generation of revenue that will drive positive cash flow generation.
- The associate has been servicing the EPO loan with total interest accrued for the year fully paid.
- KLK has a strong financial position, from its latest available financial information that indicates its ability to financially support the associate. In addition, KLK provided an additional loan facility of US$20m in the year to the associate.

Adoption of new and amended Accounting Standards

(i) *New and amended standards adopted for the first time for the financial periods beginning on or after 1 January 2018*

The standards which were issued and effective for periods starting on or after 1 October 2018 have been adopted in the year, namely:

- IFRS 9 – Financial Instruments; and
- IFRS 15 – Revenue from Contracts with Customers

The adoption of these standards have not had a material impact to the Group financial statements.

(ii) New standards, amendments and Interpretations in issue but not yet effective or not yet endorsed and not early adopted

The Group has elected not to early adopt the following revised and amended standards.

Standard	**Description**	**Effective date**
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance contracts	1 January 2021
IFRIC 23	Uncertainty over Income tax treatments	1 January 2019
Amendment to IFRS 9	Prepayment Features with Negative Compensation	1 January 2019
Annual Improvements to IFRSs	2015-2017 Cycle	1 January 2019
Conceptual Framework	Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
Amendments to IFRS 3	Business Combinations	1 January 2020
Amendments to IAS 1 and IAS 8	Definition of material	1 January 2020

The Company has reviewed and considered these new standards and interpretations and none of these are expected to have a material effect on the reported results or financial position of the Company except for the following

IFRS 16 Leases

The future adoption of 'IFRS 16: Leases' from 1 January 2019, provides for a new model of lessee accounting in which all leases, other than short-term and small-ticket-item leases, will be accounted for by the recognition on the statement of financial position of a right-to-use asset and an associated lease liability, with the subsequent amortisation of the right-to-use asset over the lease term. However, as the Company currently has no material leases other than short-term, the expected impact of the adoption of IFRS 16 is immaterial.

The associate has also assessed the impact the future adoption of IFRS 16 and concluded that the expected impact is immaterial.

2. Operating Loss

The operating loss is stated after charging:

		Group Year ended 30 September 2019 $'000	Group Year ended 30 September 2018 $'000
Auditors' remuneration	– audit services	33	34
	– other services	4	8
Directors' emoluments (Note 4)		186	195
Operating lease charges		45	80

In addition to the above, the Auditors charged $54,500 (2018 – $55,000) in relation to the associate. The costs were borne by the associate.

3. Taxation

	Group Year ended 30 September 2019 $'000	Group Year ended 30 September 2018 $'000
Factors affecting the tax charge for the year		
Loss on ordinary activities before tax	(15,131)	(4,334)
Loss on ordinary activities at the UK standard rate of 19% (2018: 19%)	(2,875)	(824)
Effects:		
Share of operating loss of associate not taxable	2,867	828
Expenses not deductible for tax purposes	-	-
Utilisation of previous unrecognized tax losses carried forward	-	4
Tax losses carried forward not recognised	8	-
Total taxation	-	-

No deferred tax assets have been recognised (2018: nil). The Group has total carried forward losses of $7,357,000 (2018: $8,186,000). The taxed value of the unrecognised deferred tax asset is $1,390,000 (2018: $1,555,340) and these losses do not expire.

4. Directors' emoluments

	Year ended 30 September 2019 $'000	Year ended 30 September 2018 $'000
Michael Frayne	64	67
Geoffrey Brown	122	128
Lee Oi Hian (1)	-	-
Teh Sar Moh Nee (1)	-	-
Yap Miow Kien (1)	-	-
Patrick Kee Chuan Peng (1)		
Lee Guo Zhang (1)	-	-
Total	186	195

All Directors' remuneration is paid in cash.

(1) KLK representatives are not remunerated by the Company

5. Staff Costs (including Directors and Key Management Personnel)

	Group Year ended 30 September 2019 $'000	Group Year ended 30 September 2018 $'000
Staff Costs		
Short term employee benefits	352	371
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total Staff Costs	352	371

The total social security cost on directors' remuneration was USD 39,000 (30 September 2018: 41,000) which is included in short term employee benefits.

Key Management Personnel includes the Directors of the Company and senior management. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors of the company listed on pages 12 to 13.

The Group and Company averaged 3 employees during the year ended 30 September 2019 of which all were involved in administration activities (30 September 2018: 3).

6. Loss Per Share

The basic loss per share is derived by dividing the loss for the year attributable to ordinary shareholders by the weighted average number of shares in issue.

As inclusion of the potential ordinary shares would result in a decrease in the loss per share they are considered to be anti-dilutive, as such, diluted earnings per share is equivalent to basic earnings per share.

	Group Year ended 30 September 2019 $'000	Group Year ended 30 September 2018 $'000
Loss for the year	(15,131)	(4,334)
Weighted average number of ordinary shares of 1p in issue	356.3 million	356.3 million
Loss per share – basic and diluted	(4.2) cents	(1.2) cents

7. Financial Instruments

The Group (including the Company, its subsidiary and its interest in LPD) is exposed through its operations to the following risks:

- Credit risk
- Liquidity risk
- Foreign exchange risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Principal financial instruments

The principal financial instruments used by the Group, and classified as loans and receivables, from which financial instrument risk arises are as follows:

- Receivables from associate;
- Trade and other receivables;
- Cash and cash equivalents;
- Loans to associates; and
- Loans to subsidiaries.

Financial instruments by category

Financial assets:

Group	**Amortised cost (loans and receivables)**	
	2019 $'000	**2018 $'000**
Cash and cash equivalents	651	138
Trade and other receivables	21	22
Receivables from associates	6,223	6,789
Total financial assets	6,895	6,949

Company	**Amortised cost (loans and receivables)**	
	2019 $'000	**2018 $'000**
Cash and cash equivalents	651	138
Trade and other receivables	20	21
Loans to subsidiaries	156	150
Receivable from associate	6,223	6,789
Total financial assets	7,050	7,098

Financial liabilities:

Group	**Amortised cost**	
	2019 $'000	**2018 $'000**
Trade and other payables	40	53
Total financial liabilities	40	53

Company	**Amortised cost**	
	2019 $'000	**2018 $'000**
Trade and other payables	40	53
Total financial liabilities	40	53

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The overall objective of the Board is to set policies that seek to reduce risk exposure as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

The Company is exposed to credit risk from its cash deposits which are held with HSBC UK which has a credit rating of A2 from Moody's. Management has assessed no expected credit losses on these deposits.

The Group is also exposed to credit risk from its loans to LPD. The ability of LPD to repay its debts is supported by a joint venture agreement between the Company and KLK (refer Note 8) and the projected future cash flows from the plantation.

The Group does not enter into derivatives to manage credit risk.

At the reporting date the Group does not envisage any losses from non-performance of counterparties.

The maximum exposure to credit risk at the reporting date from the Group's financial assets is the carrying value of each financial asset. The Group does not hold any collateral as security.

Interest rate risk

The Group is exposed to fluctuations of the LIBOR rate on the interest accrued relating to its receivable due from associate. The Group measures its risk through a sensitivity analysis considering 10% favourable and adverse changes in the LIBOR rate. As at 30 September 2019 a movement in the LIBOR (which was <4% at 30 September 2019) by 10% would not result in an increase or decrease in the interest accrued as interest is accrued at the higher of LIBOR + 4% or 8%.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Directors receive information regarding cash balances on a monthly basis. As soon as funding shortfalls are identified, the Directors take action to identify and subsequently secure the necessary funds from existing or new investors or in the form of short and long term borrowings. Further disclosure of going concern is given in Note 1 and the Directors Report.

Foreign exchange risk

Foreign exchange risk arises because the Group has operations located in the UK and Liberia, which enter into transactions in currencies which are not the same as the functional currency of the Company. Only in exceptional circumstances will the Group consider hedging its net investments in overseas operations, as generally it does not consider that the reduction in foreign currency exposure warrants the cash flow risk created from such hedging techniques. Wherever possible in order to monitor the continuing effectiveness of this policy, the Board, through their approval of capital expenditure budgets and review of the monthly management accounts, considers the effectiveness of the policy on an ongoing basis.

Foreign currency sensitivity analysis

The Group is mainly exposed to currency rate fluctuations of the UK Pound versus the US$, and measures its foreign currency risk through a sensitivity analysis considering 10% favourable and adverse changes in market rates on exposed monetary assets and liabilities denominated in UK Pounds. At 30 September 2019 a 10% revaluation of the Pound against the Dollar would have resulted in a US $67,281 increase or decrease in the net assets of the Group (30 September 2018: US$10,599).

Capital management policies

The Group considers its capital to be its ordinary share capital, share premium, other reserves, and retained deficit. The Board of Directors has established principles for the management of the Group's capital resources based on a long-term strategy that continually evaluates and monitors the achievement of corporate objectives. Specific capital management policies set forth include the following:

- Sufficient resources to maintain and develop its concessions and to maximise discretionary spending on further accelerating its plantation development;
- The reinvestment of profits into new and existing assets that fit the corporate objectives;
- To identify the appropriate mix of debt, equity and partner sharing opportunities in order to maintain and comply with its growth and development plans alongside those commitments of its concession agreements with a view of generating the highest returns to shareholders overall with the most advantageous timing of investment flows;

- Retain maximum flexibility to allocate capital resources between new planting and production of CPO enhancing projects based on available funds and the quality of opportunities.

On a regular basis, management receives financial and operational performance reports that enable continuous management of assets, liabilities and liquidity.

The above policies and practices are consistent with strategies and objectives employed in prior years and are expected to remain consistent in the extension of future resource allocation objectives.

8. Investment in associate & subsidiaries

The Company, through its investment in Equatorial Biofuels (Guernsey) Limited, owns a 50% interest in LPD.

In the period ended 30 September 2014, a Joint Venture Agreement ("JVA") was signed pursuant to which cash and funding commitments of up to $35.5m were made available to LPD. Under the JVA, the Company retained a 50% economic and voting interest in LPD. Also, under the JVA, KLK has the power to appoint the Chairman to the Board of LPD and in the case of a tied vote the Chairman has the casting vote. For this reason, the Company accounts for its investment in LPD as an equity investment in which it has significant influence.

The Group and Company's interest in LPD is as follows:

	30 September 2019	30 September 2018
	$'000	**$'000**
Interest in associate at beginning of year	**15,090**	**19,447**
Share of losses of associate	(15,090)	(4,357)
Interest in associate at end of year	**-**	**15,090**

The consolidated results of Liberian Palm Developments Limited for the year ended 30 September 2019 were as follows:

	30 September 2019	30 September 2018
	$'000	**$'000**
Non-current assets	94,289	122,266
Current assets	7,472	7,833
Non-current liabilities	(121,571)	(99,230)
Current liabilities	(1,687)	(689)
TOTAL NET ASSETS	**(21,497)**	**30,180**
Group's share (50%)	-	15,090
Income	3,012	606
Expenses	(56,593)	(10,220)
Taxation	1,904	900
Loss after tax and total comprehensive income	**(51,677)**	**(8,714)**
Group's share of loss – 50%	(25,838)	(4,537)
Group's share of loss recognised	(15,090)	(4,357)
Group's share of loss not recognised	(10,748)	-

The Group's 50% share in the loss for the year ended 30 September 2019 of $25,838,000 is in excess of the Company's carrying value of LPD of $15,090,000 resulting in just the amount of the carrying value being recognised as the Group's share of the loss in LPD as per above.

Subsidiaries and associates of EPO

Company	Country of Registration	Holding 30 September 2019	Holding 30 September 2018	Nature of business
Direct (subsidiaries)				
Equatorial Biofuels (Guernsey) Limited	Guernsey	100%	100%	Holding Company
Indirect (associates)				
Liberian Palm Developments Limited (1)	Mauritius	50%	50%	Holding Company
EBF (Mauritius) Limited (2)	Mauritius	50%	50%	Holding Company
EPO (Mauritius) Limited (2)	Mauritius	50%	50%	Holding Company
Equatorial Palm Oil (Liberia) Inc (3)	Liberia	50%	50%	Operating company in Liberia
Liberia Forest Products Incorporated (4)	Liberia	50%	50%	Operating company in Liberia
Liberia Agricultural Development Corporation (3)	Liberia	50%	50%	Non-operating company in Liberia
LIBINC Oil Palm Inc. (4)	Liberia	50%	50%	Operating company in Liberia

(1) 50% held by Equatorial Biofuels (Guernsey) Limited
(2) 100% held by Liberian Palm Developments Limited
(3) 100% held by EPO (Mauritius) Limited
(4) 100% held by EBF (Mauritius) Limited

The Company's investment in Equatorial Biofuels (Guernsey) Limited is as follows:

	30 September 2019 $'000	30 September 2018 $'000
Investment at beginning of year	**15,842**	**20,199**
Impairment	(15,842)	(4,357)
Investment at end of year	**-**	**15,842**

Management has assessed the recoverable amount of the Company's investment at year end and concluded the carrying amount is fully impaired. Refer to the critical accounting estimates above for the inputs in management's impairment assessment.

9. Loans to subsidiaries

	Company 30 September 2019 $'000	Company 30 September 2018 $'000
Equatorial Biofuels (Guernsey) Limited	156	150
Total	156	150

The loan to the subsidiary is interest free and has no fixed repayment date. They are denominated in UK Pounds. Repayment of loans is subject to the Directors' assessment of the Group's requirements and availability of appropriate liquid resources.

10. Non-current receivables

	Group 30 September 2019 $'000	Group 30 September 2018 $'000	Company 30 September 2019 $'000	Company 30 September 2018 $'000
Receivable due from associate	6,223	6,789	6,223	6,789
	6,223	6,789	6,223	6,789

The receivable due from the associate relates to a loan, denominated in USD. On 7 November 2018, the Company extended the loan for an additional five-year term concluding on 6 November 2023, that will accrue interest at a rate of LIBOR + 4% or 8% per annum, whichever is higher. Interest will accrue on the principal amount of the loan (including any accrued interest) and is repayable in full at the end of the five-year term or earlier at the discretion of LPD. Interest accrued for the year amounted to $503,000 (2018: $535,000).

Management assessed the extension as a non-significant modification with no gains or losses recognised in the year as the difference between the present value of the cash flows pre and post modification is nil.

The loan receivable from associated is classified as a financial asset in accordance with IFRS 9 and measured at amortised cost.

	30 September 2019 $'000	30 September 2018 $'000
Receivable due from associate at beginning of year	**6,789**	**6,736**
Interest paid by associate	(510)	(448)
Interest income accrued	503	535
Repayment by associate	(559)	(34)
Receivable due from associate at end of year	**6,223**	**6,789**

The receivable due from associate has been assessed for impairment in line with the requirements of IFRS 9. In applying the IFRS 9 criteria, management has considered the signed letter of support, received by the associate from KLK, which will support LPD with their normal trading operations, capital needs, financial and loan obligations. Management has assessed no significant increase in credit risk and no expected credit losses on the loan from associate. Refer to the critical accounting estimates above for the inputs in management's impairment assessment.

11. Revenue and other income

	Group 30 September 2019 $'000	Group 30 September 2018 $'000
Rental income	6	31
Other	-	2
Other Income	**6**	**33**
Management fees income	167	176
Revenue	**167**	**176**

12. Trade and other receivables

	Group 30 September 2019 $'000	Group 30 September 2018 $'000	Company 30 September 2019 $'000	Company 30 September 2018 $'000
Prepayments	2	8	2	8
VAT receivables	-	-	-	-
Other receivables	19	14	18	13
	21	22	20	21

The fair value of all receivables is the same as their carrying values stated above and no expected losses on other receivables as per IFRS 9. No ageing analysis is considered necessary as the Group has no trade receivable which would require analysis to be disclosed under the requirements of IFRS 7.

The carrying amounts of the Group and Company's trade and other receivables are denominated in the following currencies:

	Group 30 September 2019 $'000	Group 30 September 2018 $'000	Company 30 September 2019 $'000	Company 30 September 2018 $'000
UK Pounds	20	21	20	21
US Dollars	1	1	-	-
	21	22	20	21

13. Trade and other payables

	Group 30 September 2019 $'000	Group 30 September 2018 $'000	Company 30 September 2019 $'000	Company 30 September 2018 $'000
Trade payables	38	50	38	50
Other payables	2	3	2	3
	40	53	40	53

14. Called up share capital

Allotted, called up and fully paid	30 September 2019 $'000	30 September 2018 $'000
356,277,502 (2018: 356,277,502) Ordinary shares of 1p each	5,598	5,598

During the year the Group did not issue any shares.

15. Cash

The Group and Company's breakdown of cash held is as follows:

	30 September 2019 $'000	30 September 2018 $'000
Cash on hand	90	78
Cash held in 1-month deposit	561	60
	651	**138**

There are no restrictions, collateral or guarantees on the cash and cash equivalents.

16. Related Party Transactions

KLK

On 11 April 2014, the Company announced that it had entered into a joint venture agreement ("JVA") with KLK Agro Plantations Pte Ltd ("KLK Agro"), a wholly owned subsidiary of KLK, in relation to the operations and funding for Liberian Palm Developments Limited ("LPD"). Under the terms of the JVA, KLK Agro and EPO (through its wholly owned subsidiary Equatorial Biofuels (Guernsey) Limited) each subscribed for US$7,500,000 of new equity in LPD. In addition, KLK Agro agreed to provide any further funding required by LPD up to a maximum of US$20,500,000 (the "KLK Funding Commitment") which may, at the discretion of KLK Agro, be provided by way of debt or preferential equity finance which will incur interest or preferential dividend (as appropriate) at USD LIBOR plus a maximum of 500 basis points. LPD also has the option to obtain financing from parties other than KLK irrespective of whether or not the KLK Funding Commitment has been fully invested in LPD and provided that the terms of such external financing are better than that of KLK's Funding Commitment.

On 27 January 2015, the Company announced that LPD had entered into a US$20.5m loan agreement with KLK Agro (the "2015 Loan Agreement") for the operations and funding for LPD. The term of the 2015 Loan Agreement is 5 years and the interest rate is 3-months USD LIBOR + 5 percent per annum. As at 30 September 2019, this loan is fully drawn and no interest has been paid to date.

On 2 September 2016, the Company announced that LPD had entered into a US$30m loan agreement with KLK Agro (the "2016 Loan Agreement") to further the operations and funding for LPD. This loan is in addition to the 2015 Loan Agreement. The term of the 2016 Loan Agreement is 5 years and the interest rate is 3-months USD LIBOR + 5 percent per annum. As at 30 September 2019, this loan is fully drawn and no interest has been paid to date.

On 12 October 2017, the Company announced that LPD has entered in a $30.0m loan agreement with KLK Agro (the "2017 Loan Agreement") for the operations and funding for LPD. This loan is in addition to the 2015 Loan Agreement and the 2016 Loan Agreement. The term of the 2017 Loan Agreement is 5 years and the interest rate is 3-months USD LIBOR + 5 percent per annum. As at 30 September 2019, this loan is fully drawn and no interest has been paid to date.

On 7 November 2018 the Company extended the maturity of its US$2,000,000 loan to its 50 per cent. owned joint venture company, Liberian Palm Developments Limited ("LPD"), announced on 7 November 2013 for the funding or LPD's operations (the "Loan"). The maturity date for the Loan, for which US$2,938,656 including accrued interest is outstanding, will be extended from 7 November 2018 to 6 November 2023 (the "EPO Loan Extension"). The EPO Loan Extension has been effected by a deed of amendment and all other terms of the Loan remain unchanged.

The key terms of the loan are as follows:

- Term – 5 years expiring on 6 November 2023
- Interest - USD LIBOR + 4 per cent per annum or 8 per cent per annum, whichever is the higher
- Repayment - Loan principal (together with all accrued Interest due) on expiry of the Term or earlier at the election of LPD

The total liabilities owed by LPD to EPO as at 30 September 2019 amount to US$6,223,000 whose loan terms are treated as the same as the EPO Loan Extension.

On 20 May 2019, the Company announced that LPD had entered into a loan agreement for a facility of US$20m with KLK Agro to fund the operations and capital requirements of LPD (the "2019 Loan Agreement"). This loan is in addition to the 2015 Loan Agreement, 2016 Loan Agreement and the 2017 Loan Agreement.

The key terms of the 2019 Loan Agreement are as follows:

- Amount - up to $20.0m which is unsecured
- Term - 5 years from the date of the Loan Agreement, being 19 May 2019
- Interest - 3-months USD LIBOR + 5 per cent per annum
- Repayment – 2019 Loan principal (together with all accrued Interest due) on expiry of the Term

On 7 November 2019, EPO announced that KLK Agro agreed to extend the maturity of US$50.5 million of outstanding loans to LPD (the "LPD Extended Loans").

The LPD Extended Loans comprise loans of US$20.5m, announced on 27 January 2015, and US$30.0m, announced on 5 September 2016, both of which have been fully drawn down and were due to mature on 25 January 2020. The LPD Extended Loans, together with all accrued interest, are now repayable by no later than 30 October 2032 ("LPD Loan Extension").

The key terms of the LPD Extended Loans remain as follows:

- Term – expiring no later than 30 October 2032
- Interest - 3-months USD LIBOR + 5 per cent per annum
- Repayment - Loan principal (together with all accrued Interest due) on expiry of the Term or earlier at the election of LPD

The LPD Loan Extension has been agreed for nil consideration. The terms of the additional loans entered into by KLK Agro and LPD dated 12 October 2017 (US$30,000,000) and 20 May 2019 (US$20,000,000) are unaffected by this LPD Loan Extension and remain payable on 10 October 2022 and 19 May 2024, respectively.

Recharges between EPO and LPD

For the year ended 30 September 2019, EPO recharged LPD $167,000

(2018: $176,000) with $41,000 outstanding at year end (2018: $52,000).

Loans to subsidiaries and receivables from associates

Details of loans to subsidiaries are disclosed in Note 9 and receivables from associates in Note 10.

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17. Capital commitments

There were no capital commitments at 30 September 2019 (2018: None)

18. Contingent liabilities

There were no contingent liabilities at 30 September 2019 (2018: None)

19. Controlling entity

The parent company and ultimate controlling company is Kuala Lumpur Kepong Berhad ("KLK"), a company incorporated in Malaysia, the financial statements of which are available from www.klk.com.my. KLK own and control 62.86% of the Company's share capital as at 30 September 2019 (2018: 62.86%) and they are deemed to be the ultimate controlling entity.

20. Events after the reporting period

On 1 November 2019, EPO announced that Geoffrey Brown retired as an Executive Director is now a Non-Executive director of the Company. Michael Frayne, formerly Non-Executive Chairman, has been appointed as Executive Chairman of the Company.

On 7 November 2019, EPO announced that KLK Agro agreed to extend the maturity of US$50.5 million of outstanding loans to LPD (the "LPD Extended Loans").

The LPD Extended Loans comprise loans of US$20.5m, announced on 27 January 2015, and US$30.0m, announced on 5 September 2016, both of which have been fully drawn down and were due to mature on 25 January 2020. The LPD Extended Loans, together with all accrued interest, are now repayable by no later than 30 October 2032 ("LPD Loan Extension").

The key terms of the LPD Extended Loans remain as follows:

- Term – expiring no later than 30 October 2032
- Interest - 3-months USD LIBOR + 5 per cent per annum
- Repayment - Loan principal (together with all accrued Interest due) on expiry of the Term or earlier at the election of LPD

The LPD Loan Extension has been agreed for nil consideration. The terms of the additional loans entered into by KLK Agro and LPD dated 12 October 2017 (US$30,000,000) and 20 May 2019 (US$20,000,000) are unaffected by this LPD Loan Extension and remain payable on 10 October 2022 and 19 May 2024, respectively.

21. Availability of financial statements

The audited Annual Report and Financial Statements for the period ended 30 September 2019 will shortly be sent to shareholders and published at www.epoil.co.uk .