

Joint News Release

MARDI, Kilang Beras Seri Merbok and BASF launch first Clearfield Training Center in Asia Pacific

- Farmers can access in-depth training on optimal use of Clearfield[®] Production System
- Clearfield Production System helps Malaysia achieve rice self-sufficiency
- Caters as resource center for rice cultivars to access farming information

Alor Setar, Malaysia – February 24, 2017 – Malaysian farmers and paddy planters can now increase their knowledge and learn the latest techniques for rice cultivation using the Clearfield[®] Production System in more detail, with the establishment of Clearfield Training Center or *Pusat Tani Clearfield* (PTC). The training center, the first of its kind in Asia Pacific, is a joint project between the Malaysian Agricultural Research & Development Institute (MARDI), Kilang Beras Seri Merbok Sdn. Bhd. (KBSM) and BASF (Malaysia) Sdn. Bhd.

The center was launched by Hon. Datuk Dr. Sharif Haron, Director General of MARDI. Also present at the event was Leon van Mullekom, BASF Business Area Director ASEAN, Crop Protection Business; Abu Samah Hashim, Chief Operating Officer, KBSM; representatives from the Ministry of Agriculture and Agro-Based Northern Region; District Agricultural Department officers and farmers.

"Farmers planting rice using the Clearfield Production System can increase their yields up to 50–60 percent per season if it is handled properly. Pusat Tani Clearfield is equipped with modern educational facilities which will offer extensive training services to farmers about the optimal use of the Clearfield Production System that is proven to increase yields up to 2.5 t/ha of rice production," mentioned Datuk Dr. Sharif Haron.

Led by MARDI, Malaysia's main government body for agriculture, this project aims to promote and enhance best practices in agriculture, with the support of BASF technology, innovation and expertise through the Clearfield Production System. The Clearfield Training Center was built as a centralized platform for farmers to develop their skills in agriculture, specifically rice growing.

"The collaboration between MARDI, KBSM and BASF in the establishment of this training center will benefit farmers and the rice industry in Asia Pacific. With a comprehensive training scheme provided at the center, farmers can improve their farming methods and rice growing techniques, thereby increasing their yield productivity," said Leon van Mullekom, BASF Business Area Director for ASEAN, Crop Protection Business.

The center, equipped with modern infrastructure and state-of-the-art facilities, offers comprehensive and holistic training services to farmers, including administration, management, general rice growing techniques and best practices, as well as proper use of herbicide, OnDuty[™], in accordance with product stewardship guidelines of the Clearfield Production System.

"As one of the key distributors for Clearfield Production System in Malaysia, KBSM is pleased to introduce the establishment of Clearfield Training Center as part of our CSR initiative to improve the local paddy planting skills which can boost farmers' income," said Abu Samah Hashim, Chief Operating Officer, KBSM during the launch event.

Field experts and technical personnel from MARDI and BASF also provide guidance to farmers in choosing quality seedlings, spraying techniques, adequate fertilizer measurement and other principles under the Clearfield Production System. This intensive training not only increases the level of confidence for farmers in rice cultivation, but also supports Malaysia's goal to achieve self-sufficiency for rice production.

Last year, BASF Malaysia received the Malaysian Entrepreneurship, Research and Business Partnership Award 2016, presented by the Prime Minister of Malaysia, in recognition of the strong collaboration with MARDI in the development and commercialization of special rice varieties. By using the Clearfield Production System, these varieties effectively combat tough grasses and control "weedy rice" (padi angin) - major issues in many of Malaysia's granary areas.

About Malaysia Agricultural Research & Development Institute (MARDI)

MARDI is a statutory body that undertakes research in the fields of food and agriculture and agrobased industries. In addition to implementing Research and Development (R & D) contract projects, the Institute also provides technical service and development of entrepreneurs in the field of food, agriculture and other services in the industry. Technical services are in the form of advisory services, consulting, technical training, laboratory services and quality certification, product and process development and improvement of technology. 45 years After the establishment, farmers and entrepreneurs have adopted the technology that MARDI has successfully contributed to the development of the food sector, agriculture and agro-based industry. This has helped to sustain the agricultural sector as a contributor to the national economy. As an organization with a core business of research in science and technology, MARDI provide expert groups in the fields of the identified needs, and contribute effectively to the corpus of knowledge globally.

About Kilang Beras Seri Merbok Sdn.Bhd.

Kilang Beras Seri Merbok Sdn. Bhd is one of the main Certified Paddy Seeds production company in Malaysia. It was established on 31st January 1999 with an initial paid up capital of RM100,000 (Ringgit Malaysia One Hundred Thousand). Today, the paid up capital for the company has increased to RM4,000,000 (Ringgit Malaysia Four Million) with the turnover in excess of RM200,000,000 (Ringgit Malaysia Two Hundred Million) for financial period ended 31st December 2012.

Kilang Beras Seri Merbok Sdn. Bhd. has been recognized & approved by the Malaysia Ministry of Finance as a Bumiputera Company and certified as a company complies with the standard of Quality Management System Standards ISO 9001:2008, EN ISO 9001:2008, BS EN ISO 9001:2008 and MS ISO 9001:2008 that are applicable to Procurement, Processing, Packaging and Wholesale of paddy seeds.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 114,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas. BASF generated sales of about €58 billion in 2016. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at <u>www.basf.com</u>.

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