

# **MINORITY SHAREHOLDER WATCHDOG GROUP**

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

(Incorporated in Malaysia – Company No. 524989-M)

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## **Tycoon appeals to growers to end CHGS**

**PETALING JAYA:** Property tycoon Tan Sri Lee Kim Yew has come out to appeal to growers of troubled farm-sharing investment scheme Country Heights Growers Scheme (CHGS), to support its manager Plentiful Gold-Class Bhd's call for a voluntary termination of the scheme after the Minority Shareholder Watchdog Group and disgruntled growers questioned the need to do so.

In a statement yesterday, Lee, who is founder and chairman of Plentiful Gold-Class, said should the termination not be approved, Plentiful Gold-Class will go into default for not being able to meet its nett yield payout due in February and the appointed trustees will have to take over the Gua Musang plantation land and ultimately wind-up CHGS.

It was reported that disgruntled growers had sought an adjournment of a meeting planned on Feb 8 to approve the voluntary termination of the interest scheme.

A Facebook page set up to oppose the

proposal to terminate the scheme also appears to be mobilising growers to ensure that a majority of them vote against the termination of the scheme.

Lee said his intention of supporting the termination of the scheme is his way of exerting responsibility for the inability of the scheme to reach its full potential when faced with an estate bearing poor fresh fruit bunches.

He pointed out that Plentiful Gold-Class' board of directors is receptive to having the estate put up for sale via open tender, immediately after growers agree to terminate the scheme, with a reserve price of RM170 million.

Lee went on to say that any shortfall between the final sale price and total buy back amount will be borne by the holding company, Bee Garden Holdings Sdn Bhd, via a fully enforceable letter of undertaking.

He said this is to clear the misconception of many investors on the estate's worth being much more than its

current value, and that the management company is in a rush to privatise it for personal gains.

"Based on the financial model, Plentiful Gold-Class will have to pay out another nett yield dividend by Feb 14 this year. The company has no cash to pay out the nett yield and is not allowed to make any borrowings or charge the land to raise additional funding," said Lee.

A letter from the estate manager dated Jan 25, 2012 was attached to corroborate Lee's report of low yields from the estate.

Lee wants growers to accept a one-to-one buy back, plus the nett yield payout for 2007-2011 of RM78.5 million, which would make up a total of RM294 million compared with the total one-time funds raised of RM215.5 million, when it first launched in 2007.

He is urging growers to meet on Feb 8 at Exhibition Hall, Level 1, Malaysia International Exhibition and Convention Centre in The Mines Resort City, Selangor to deliberate.