

Golden Agro sees full take-up of grower scheme in 2 years

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KUALA LUMPUR: Golden Agro Plantation (Mukah) Bhd is targeting a full take-up of the 70 per cent interest in its Golden Agro Growers Scheme offered to the public within two years.

Golden Agro is the country's fourth company offering the shared-farming scheme after Country Heights Grower Scheme, East West One Consortium Bhd and Golden Palm Growers Bhd.

Under the 20-year scheme, investors get to own a slice of oil palm estates and reap returns over the years, depending on prevailing crude palm oil (CPO) prices and production cost.

Golden Agro chief executive officer Datuk Allan Lim Kim Huat said so far, the company has sold 400 plots (one plot is RM8,000), of which the bulk of its investors are from Malaysia, with the rest from countries such as Japan, Singapore, Hong Kong and Taiwan.

Set up in May 2012, Golden Agro owns and manages 41,772 growers plots in Mukah, Sarawak, which have been created for the investment scheme with 70 per cent, or 29,240 of the plots, offered to the public and the remaining 30 per cent (12,532 plots) held by the management.

Investors can invest as low as RM8,000 per plot (0.1ha) and are guaranteed a net profit of seven per year up to 2017 and the scheme is approved by the Companies Commission of Malaysia.

Investors can also expect returns as high as 23 per cent per year, depending on prevailing CPO prices and production cost.

Subsequently, investors will enjoy 100 per cent of the net profit of the plantation until maturity of the scheme in 2032.

Lim said the estates cover three phases, of which the first phase has been fully planted and the second in advanced stage of completion and development and is currently six months ahead of schedule.

“The first harvest is expected in June 2015 and investors need not worry as I have 30 per cent in the venture and CPO prices have been strong in the past 40 years and will continue to be strong in the future,” he said.

Lim said Mukah is the company’s first scheme and it may set up a similar scheme later on and once the company has a strong track record, it may list on Bursa Malaysia within the next five years.