

Date: 15<sup>th</sup> July 2024

Dear Sir / Madam,

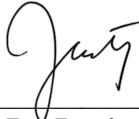
**Re: Notice of the Meeting of the Planters of the East West Planter's Scheme 1**

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We refer to the above matter.

2. **NOTICE IS HEREBY GIVEN** that a Meeting of the Planters of East West Planter's Scheme 1 will be held at **M Ballroom, Level 3A, Mtree Hotel Puchong, No. 6, Jalan Kenari 12, Bandar Puchong Jaya, 47170 Puchong, Selangor on Monday, 12<sup>th</sup> August 2024 at 2.30 pm.**
3. We enclose herewith the following documents for your attention: -
  - 3.1 Notice of the Meeting of the Planters of East West Planter's Scheme 1;
  - 3.2 Explanatory Notes;
  - 3.3 Proxy Form; and
  - 3.4 Poll Form.

Yours faithfully,



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**Dato' Dr Jessie Tang**

**Director**

**East West One Plantations Berhad**

**EAST WEST ONE PLANTATIONS BERHAD**

**Company Registration No 200601035765 (755524-T)**

(Incorporated in Malaysia)

**NOTICE OF THE MEETING OF THE PLANTERS OF THE  
EAST WEST PLANTER'S SCHEME 1**

**NOTICE IS HEREBY GIVEN** that a Meeting of the Planters of East West Planter's Scheme 1 will be held at M Ballroom, Level 3A, Mtree Hotel Puchong, No. 6, Jalan Kenari 12, Bandar Puchong Jaya, 47170 Puchong, Selangor on Monday, 12<sup>th</sup> August 2024 at 2.30 pm to recommend, and if thought fit, to pass the following Special Resolution, with or without amendment: -

**1. SPECIAL RESOLUTION: - THE REHABILITATION AND RESTRUCTURING EXERCISE**

*Rehabilitation & Restructuring Exercise*

**THAT** approval be and is hereby given to **EAST WEST ONE PLANTATIONS BERHAD** (Company Registration No 200601035765 / 755524-T) (hereinafter called "**the Management Company**") to implement a rehabilitation and restructuring exercise (hereinafter called "**the Rehabilitation & Restructuring Exercise**") for the **EAST WEST PLANTER'S SCHEME 1** (hereinafter called "**the EWP Scheme 1**").

*Suspension of the Monthly Net Return*

**THAT** approval be and is hereby given for the suspension of the Management Company's obligations to pay the monthly net return (hereinafter called "**the Monthly Net Return**"), more particularly described in Clauses 3.6, 3.7 and 3.8 of the trust deed dated 13<sup>th</sup> June 2019 (including any supplementary deeds thereto) (hereinafter called "**the Trust Deed**") with effect from 28<sup>th</sup> June 2023 (hereinafter called "**the Suspension Date**").

**THAT** approval be and is hereby given for the suspension of **PACIFIC TRUSTEES BERHAD** (Company Registration No 199401031319 / 317001-A) (hereinafter called "**the Trustee**") obligations to pay the Monthly Net Return (more particularly described in Clause 13 of the Trust Deed) with effect from the Suspension Date.

*Suspension of the Repurchase*

**THAT** approval be and is hereby given for the suspension of the Management Company's obligations in respect of the repurchase (hereinafter called "**the Repurchase**") of the planter's blocks (hereinafter called "**the Planter's Blocks**") owned by the respective planters (hereinafter called "**the Planters**") of the EWP Scheme 1 (more particularly described in Clause 7 of the Trust Deed) with effect from the Suspension Date.

*Rehabilitation of the Plantation*

**THAT** approval be and is hereby given to the Management Company to commence the rehabilitation process in respect of the plantation of the EWP Scheme 1 (hereinafter called “**the Plantation**”) for a term of **TWO (2) YEARS**, commencing from the date of the passing of this resolution (hereinafter called “**the Rehabilitation Period**”).

*Utilization of the funds in the Trust Account, Reserve Fund Trust Account and Sinking Fund Trust Account*

**THAT** approval be and is hereby given for the funds (including interest) deposited in the trust account (more particularly described in Clause 12 of the Trust Deed) (hereinafter called “**the Trust Account**”) to be released and utilized by the Management Company for the rehabilitation of the Plantation.

**THAT** approval be and is hereby given for the funds (including interest) deposited in the reserve fund trust account (more particularly described in Clause 13 of the Trust Deed) (hereinafter called “**the Reserve Fund Trust Account**”) to be released and utilized by the Management Company for the rehabilitation of the Plantation.

**THAT** approval be and is hereby given for the funds (including interest) deposited in the sinking fund trust account (more particularly described in Clause 14 of the Trust Deed) (hereinafter called “**the Sinking Fund Trust Account**”) to be released and utilized by the Management Company for the rehabilitation of the Plantation.

*Sale of the plantation*

**THAT** upon the lapse of the Rehabilitation Period, approval be and is hereby given to the Management Company to commence the process (hereinafter called “**the Sale Process**”) to put up for sale of the Plantation (hereinafter called “**the Sale**”).

**THAT** the Sale shall include an assignment or novation of the lease in respect of the lands for the EWP Scheme 1 (hereinafter called “**the EWP 1 Land**”), together with all the assets and buildings of the Plantation.

*Appointment of independent valuer, estate broker and solicitor*

**THAT** approval be and is hereby given to the Management Company to appoint an independent valuer to determine the potential value of the Plantation (hereinafter called “**the Market Value**”).

**THAT** upon determination of the Market Value, approval be and is hereby given to the Management Company to appoint an independent estate broker to secure successful bidders for the sale of the Plantation at the Market Value (hereinafter called “**the Purchaser**”).

**THAT** approval be and is hereby given to the Management Company to appoint a solicitor to advise and prepare the documentations in respect of the sale to the Purchaser; **AND THAT** approval be and is hereby given to the Management Company to execute all documents on conveyance in respect of the Sale and all transfer, assignment or novation in respect of the EWP 1 Land.

*Proceeds of sale to be utilized towards repayment to the Planters*

**THAT** the proceeds of the Sale shall be deposited with the Trustee as custodian and stakeholder; **AND THAT** approval be and is hereby given to the Management Company to utilize the proceeds of the Sale to pay for the costs and expenses in respect of the Sale (including the fees for the independent valuer, estate broker and solicitor), the Plantation, the winding up of the EWP Scheme 1 and any advancements made by the directors and shareholders of the Management Company towards the Plantation (hereinafter called “**the Costs & Expenses**”).

**THAT** upon the settlement of the Costs & Expenses; **THAT** approval be and is hereby given to the Management Company to utilize the balance proceeds of the Sale to commence repayment of the subscription fee for the Planter’s Blocks (hereinafter called “**the Subscription Fee**”).

**THAT** in the event of any surplus funds remaining with the Trustee after the full repayment of the Subscription Fee (hereinafter called “**the Surplus Funds**”); **THAT** approval be and is hereby given to the Management Company to commence repayment of the Monthly Net Return which is outstanding from the Suspension Date and is due to the Planters in accordance with the terms of the respective planter’s agreement (hereinafter called “**the Outstanding Monthly Net Return**”); **AND THAT** the repayment of the Outstanding Monthly Net Return shall be apportioned equally among the Planters in accordance with the number of the Planter’s Blocks and value that were subscribed.

*Winding up of the EWP 1 Scheme upon repayment*

**THAT** upon the full settlement of the Subscription Fee, the Planters shall accordingly be removed from the register of planters of the EWP 1 Scheme; **AND THAT** approval be and is hereby given to the Management Company to wind up the EWP 1 Scheme in accordance with the provisions of the Interest Schemes Act 2016.

*Amendment to the Trust Deed*

**THAT** approval be and is hereby given to the Management Company to amend the Trust Deed accordingly to incorporate the proposals in respect of the following: -

- Rehabilitation & Restructuring Exercise;
- Suspension of the Monthly Net Return;
- Suspension of the Repurchase;
- Rehabilitation of the Plantation;
- Sale of the Plantation;
- Appointment of independent valuer, estate broker and solicitor;
- Proceeds of sale to be utilized towards repayment to the Planters;
- Winding up of the EWP 1 Scheme upon repayment.

**BY ORDER OF THE MANAGEMENT COMPANY**

**Dato’ Dr Jessie Tang**

**Director**

**East West One Plantations Berhad**

Kuala Lumpur

Date: 15<sup>th</sup> July 2024

**EAST WEST ONE PLANTATIONS BERHAD**

**Company Registration No 200601035766 (755524-T)**

(Incorporated in Malaysia)

**MEETING OF THE PLANTERS OF THE EAST WEST PLANTER'S SCHEME 1** to be held at M Ballroom, Level 3A, Mtree Hotel Puchong, No. 6, Jalan Kenari 12, Bandar Puchong Jaya, 47170 Puchong, Selangor on **Monday, 12<sup>th</sup> August 2024** at **2.30 pm**.

**PROXY FORM**

I/We, \_\_\_\_\_ (Passport / NRIC No \_\_\_\_\_), being a Planter of the East West Planter's Scheme 1 ("the EWP Scheme 1"), \_\_\_\_\_ (Planter's Certificate No \_\_\_\_\_) hereby appoint \_\_\_\_\_ (NRIC No \_\_\_\_\_) or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Meeting of the Planters of the EWP Scheme 1 to be held on Monday, 12<sup>th</sup> August 2024 at 2.30 pm and at any adjournment thereof.

*Signed by the said* \_\_\_\_\_ *on the* \_\_\_\_\_ *day of* \_\_\_\_\_ *2024, in the presence of: -*

\_\_\_\_\_  
Witness:  
Name:  
NRIC No:

\_\_\_\_\_  
Planter:  
Name:  
NRIC No:

**NOTES: -**

1. Every Planter may vote personally or by proxy. The proxy appointed must be a Planter of the East West Planter's Scheme 1.
2. In the case of corporate Planters, the corporate nominees may vote either personally or by proxy.
3. The instrument appointing a proxy duly executed shall be deposited at Suite No 1-9-E8, 9<sup>th</sup> Floor, CPS Tower, Centre Point Sabah, 88000 Kota Kinabalu, Sabah not less than forty-eight (48) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which the person named in such instrument proposes to vote.
4. The quorum for the Planters' Meeting shall be **TEN (10) PERCENT** of the Planters *or TWENTY (20)* of the Planters registered in the Register of Planters on the date of the meeting, either present in person or by proxy, whichever is less. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.
5. If within an hour from the time appointed for the meeting, a quorum is not present, the meeting if convened shall be dissolved. It shall stand adjourned to such day and time not being less than **FIFTEEN (15) DAYS** thereafter and to such place as may be appointed by the Management Company and Trustee.
6. At such adjourned meeting, the Planters (present in person or by proxy) shall constitute a quorum for the transaction of business, including the passing of any extraordinary resolution.
7. At least **SEVEN (7) DAYS'** notice shall be given in any adjourned meeting of the Planters and such notice shall state that the Planters present at the adjourned meeting (whatever their number and the number of Planter's Block held by them), will form a quorum.
8. All and any **SPECIAL RESOLUTION** shall be passed by not less than **SEVENTY-FIVE (75) PERCENT** of votes of the Planters, present in person or by proxy, at the Planters' Meeting; **AND** upon being passed, such resolutions shall be binding upon **ALL** Planters (whether present or not at the meeting).

**EAST WEST ONE PLANTATIONS BERHAD**

**Company Registration No 200601035766 (755524-T)**

(Incorporated in Malaysia)

**MEETING OF THE PLANTERS OF THE EAST WEST PLANTER'S SCHEME 1** to be held at M Ballroom, Level 3A, Mtree Hotel Puchong, No. 6, Jalan Kenari 12, Bandar Puchong Jaya, 47170 Puchong, Selangor on **Monday, 12<sup>th</sup> August 2024** at **2.30 pm**.

**POLL FORM**

Name of Planter: \_\_\_\_\_

(For Corporate Planters, please write the name of the Corporate Planter and the name of the Corporate Nominee in bracket)

Number of Planter's Block: \_\_\_\_\_

<b>AGENDA</b>	<b>FOR</b>	<b>AGAINST</b>
<b>1. SPECIAL RESOLUTION NO 1: -</b>		

Please indicate with an "X" in the appropriate space.

\_\_\_\_\_  
Planter:

Name:

NRIC No:

# **EAST WEST ONE PLANTATIONS BERHAD**

**Company Registration No 200601035766 (755524-T)**

(Incorporated in Malaysia)

**EXPLANATORY NOTES** to the Notice of Meeting of the Planters of the East West Planter's Scheme 1 to be held on 12<sup>th</sup> August 2024 at 2:30 pm at M Ballroom, Level 3A, Mtree Hotel Puchong, No 6, Jalan Kenari 12, Bandar Puchong Jaya, 47170 Puchong, Selangor.

## **1. Introduction**

The East West Planter's Scheme 1 ("EWP Scheme 1") is an interest scheme registered pursuant to the Interest Schemes Act 2016 (previously the Companies Act 1965). The Trust Deed constituting the scheme is dated 25<sup>th</sup> August 2011 (as amended by the supplementary deeds thereto). The regulator of the scheme is the Companies Commission of Malaysia.

Save and except where the context otherwise requires, the terms and expressions in this note shall have the same meaning as in the Trust Deed.

## **2. Proposals**

There is only one (1) resolution presented for consideration of the Planters.

This special resolution (i.e., to be passed by not less than 75% of the votes of the Planters, present in person or by proxy), concerns the rehabilitation and restructuring of EWP Scheme 1, and the proposal to commence the process of putting the Plantation for sale.

## **3. Proposal for Special Resolution**

### *Special Resolution: Rehabilitation & Restructuring Exercise*

The purpose of this Special Resolution is to implement a restructuring of the EWP Scheme 1 that involves suspension of Monthly Net Returns (MNR) and Repurchase, enabling the Company to use all the resources that are available for the time being for the purpose of Rehabilitation of the Plantations, thereby optimising the value of the plantation for a disposal to take place at an earliest possible time.

### *Background and Rationale for Special Resolution*

The primary reason for this Special Resolution is the Management Company's current inability to meet its payment obligations as the plantation activities were severely affected over the past few years due to cumulative effect of disruptions caused by Covid-19, La Nina weather phenomena, workers shortage experienced by the industry, land dispute with landowners and the repeated injunctions that prevented the Management Company from convening Planter's Meeting to seek a quick solution to the problems. This series of events have severely affected the plantation operations, further compounding the cash flow problems of the Management Company.



For the first part of the Special Resolution, we are seeking the approval of the Planters to suspend the payment of MNR and Repurchase indefinitely so that the Management Company can channel all the resources available for the time being for the purpose of rehabilitating the Plantations. The primary focus is to improve the value of the Plantations for a sale to take place at an earliest possible time. For avoidance of doubt, there is no change in the recognition of MNR due to the respective Planters but the payment is henceforth suspended. The MNR will only be paid if the disposal value is higher than the total Subscription Fee due to the Planters.

The management of EWP Scheme 1 has taken proactive steps to rehabilitate the plantation by engaging Palmiss Sdn. Bhd., a renowned oil palm plantation consultancy, since January 2023. Palmiss Sdn. Bhd. is responsible for providing strategic direction and managing the plantations to achieve the yield potential of the Plantations. However, the rehabilitation program was disrupted since 2<sup>nd</sup> half of 2023 due to shortage of funds arising from the freezing of bank accounts by the authorities and the failure to convene the Planter’s Meeting due to court injunctions. This resolution seeks approval to redirect the limited resources available within the Management Company toward the Rehabilitation process. We anticipate the rehabilitation process to take two (2) years from the date of passing this resolution. (**“Rehabilitation Period”**).

*Effect of the Rehabilitation Exercise*

Palmiss Sdn. Bhd., the plantation consultant appointed by EWP Scheme 1, projected that the weighted average yield per hectare for the plantations under EWP Scheme 1 will double under the rehabilitation program. On top of that, Palmiss will be looking into new planting as EWP Scheme 1 is still in the new planting phase.

*Utilization of the funds in the Trust Account, Reserve Fund Trust Account and Sinking Fund Trust Account*

The Management Company proposes to utilize the funds currently deposited in the trust account, namely Trust Fund Account, Reserve Fund Trust Account and Sinking Fund Trust Account for the purpose of the rehabilitation. As of 31<sup>st</sup> May 2024, the total funds in the trust accounts are as follow:-

	<b>Balance as of 31<sup>st</sup> May 2024 (RM)</b>
Trust Fund Account	11,490.21
Reserve Fund Trust Account	7,449,849.98
Sinking Fund Trust Account	309,036.95
<b>Total</b>	<b>7,770,377.14</b>

On 4<sup>th</sup> April 2024, Company Commission Malaysia, via a letter sent to Pacific Trustee Behad, had imposed certain conditions on the usage of Trust Account, Reserve Fund Account and

Sinking Fund Account. As the current proposal differs from the conditions imposed by the Company Commission Malaysia, the implementation of this proposal is subject to the approval of the regulator. Hence, the actual amount available for Rehabilitation may differ from the amount stated herein.

Currently the bank accounts of the Management Company have been frozen by the order of the relevant authority, hence there is no other reserves available to fund the Rehabilitation or for the operations of the Company. The existing plantation operations of EWP Scheme 1 are not generating sufficient funds to sustain itself.

According to Palmiss, our Plantation Consultant, the Management Company would need RM92,093 and RM264,240 excluding management fees for the Rehabilitation in Year 1 (May 2024 – April 2025, subject to funds availability) and Year 2 respectively. On top of Rehabilitation, EWP Scheme 1 is still in the period of new planting. The Management Company will deliberate on the planting plan upon securing the approval of the Planters on this Special Resolution.

#### *Commencement of Sale Process of the plantation*

Upon the lapse of the Rehabilitation Period, the Management Company shall commence the process of selling the Plantation and use the proceeds of the sale to pay the Subscribers. To begin with, the Management Company proposes to appoint an independent valuer to determine the potential value of the Plantation. This appointment will be made either toward the end of the Rehabilitation Period or upon the lapse of the Rehabilitation Period in order to get the best possible price for the Sale.

The Management Company will also be appointing other professionals including but not limited to investment bank, estate broker and solicitor to handle the selling process.

The Management Company is open to various proposals or structures for the sale, including but not limited to transfer, assignment of novation of EWP Scheme 1 land together with all the assets and building of the Plantation. At the moment, it is premature to comment or commit to the possible process of the sale, either via tender, limited tender or other modes. The intention of the Management Company is to extract the highest possible value for the Planters.

The present resolution is to seek your approval to commence the selling process upon the lapse of the Rehabilitation Period. As per the terms of the Trust Deed, once the Purchaser has been identified the Management Company is expected to bring the proposal on the sale of the plantation to the Planter's Meeting for consideration and approval.

#### *Proceeds of sale to be utilized towards repayment to the Planters*

The proceeds from the sale of the Plantation will be used to repay the Planters of EWP Scheme 1. To ensure that the process is transparent, all the proceeds of the sale will be deposited with the Trustee as custodian and stakeholder. Save for costs and expenses related to the Scheme such as outstanding Trustee fees, management expenses and such fees and expenses related to the sale of the Plantation as well as any advances made by the directors and shareholders of the Management Company, all the proceeds will be used to repay the Planters.

The repayment will follow the following sequence. First, proceeds will be used to repay the subscription fee for the Planter's Blocks. Based on the record, the total outstanding Subscription Fee for EWP Scheme 1 amounted to RM68,960,000 as of 30<sup>th</sup> June 2024.

In the event that there are surplus funds after the full repayment of Subscription Fee, such funds will then be used for repayment of the outstanding Monthly Net Returns as at the date of this Planter's Meeting. Should there be fund remaining after the repayment of outstanding Monthly Net Returns, such funds will then be used for the repayment of Monthly Net Returns that are due from the date of this Planter's Meeting to the date of the receipt of the proceeds of the Sale by the Management Company. All the repayments will be done on pro rata basis in accordance with the number of the Planter's Blocks and value that were subscribed.

#### *Winding up of the EWP Scheme 1 upon repayment*

After the Sale of Plantation and the settlement of the Subscription Fee, the Management Company will then take the necessary steps to close the EWP Scheme 1. This process includes the winding up of the EWP Scheme 1 and submission of an application to the Companies Commission of Malaysia to terminate the EWP Scheme 1.

#### *Approvals Needed & Inter-conditionality*

This resolution is subject to the approval of the regulating authority, namely Companies Commission of Malaysia.

#### *Directors Recommendation*

The directors of East West One Plantations Berhad having considered the current financial condition of EWP Scheme 1, and the rationale of the respective resolutions, are of the view that the resolution presented herein is in the best interest of EWP Scheme 1. Accordingly, the directors recommend the EWP Scheme 1 Planters to vote in favour of the resolution at the forthcoming Planter's Meeting.