

1st. ordinary (Statutory) General Meeting

held at the Office of the Co.
Friday the 14th. June 1918.

Present,

of original 12 Shareholders:

A. Werkenholz, in the Chair,

Th. Kundtzow,

O. Benzow,

J. Siver,

A. M. Hansen

and A. Jensen,

and, by invitation,

10 other Shareholders.

1. The Secretary read the following notice, first published in the „Berlingske Tidende“ 7/6 1918:

„The United Plantations Limited upholder
„Konstituerende Generalforsamling paa Selskabets
„Kontor, Frederiksholms Kanal 16, Aften, Fredag
„den 14 Juni Klm. Kl. 2. - Detyret.“

(Translation:

„The United Plantations Limited will hold
„its Statutory General Meeting at the Company's
„Office, Frederiksholms Kanal 16, A. Friday the 14th.
„June, at 2 o'clock p.m. The Board“).

2. The Chairman read the Address attached.

3. The Chairman gave other explanations and replied
to questions of invited Shareholders present.

(A. W. W.)



Perak River

to Teluk Anson

from Bagan Datoh to Teluk Anson

Drain

State of Perak.

Utan Melintang

River Bernam

State of Selangor

Sketch showing Situation
United Plantations Properties

19th. Dec. 1917

1 MILE

Strait of Malacca

Jendarata Estate
1804 ac. pl. 1917-18
1006 ac. pl. 1912-16
2000 ac. 1600 pl. 1917-20

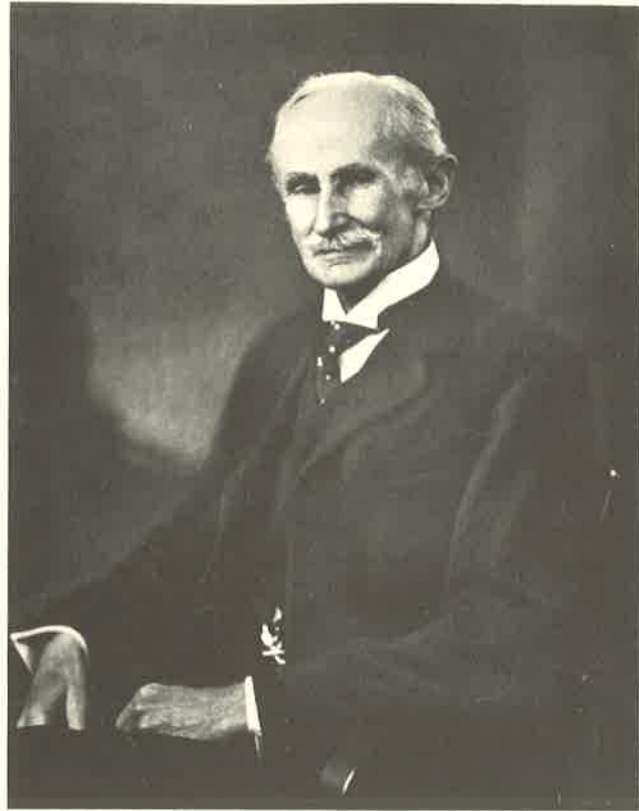
Corner Coconut Es.
1527 ac.
pl. 1914-17

William Est.
1116 ac.
pl. 1913-15

Westenholz Bros. Est.
1160 ac.
pl. 1914-15

Erikr Est.
532 ac.
pl. 1913-14

Cocos, planted ■
Rubber ■



Aage Westenholz

The Early Days

The era of the discoveries brought the thrusting peoples of Western Europe face to face with the ancient cultures of the old world. Perhaps it is a legacy of those events, strengthened by an inherent urge of much greater antiquity that moved men of talent and initiative to seek the wonders of the East.

Aage Westenholz was the founder of the plantation activities which later became United Plantations. Born a younger son on 18th April 1859 at Matrup, the family estate in Jutland, he chose to study the engineering sciences in preference to the more conventional civil and classical studies. Closely related to substantial Danish merchant houses of his day whose ships sailed the seven seas, it is therefore not surprising that his interest in the Far East was kindled early, and by the year 1885 his questing spirit had brought him to the Kingdom of Siam. Here in due course he founded the Siam Tramway Company and later the Siam Electricity Company, at a time when public transport in Copenhagen was still horse-drawn.

These were the early days of the great economic advance of the West. Around the turn of the century, the rubber industry was in its infancy and interest in rubber planting in Malaya was growing. In 1906 Aage Westenholz found the opportunity to realise

a plan close to his heart and the Jendarata rubber estate was established in Lower Perak near Teluk Anson. This initial plantation venture in Malaya, the Jendarata Rubber Company, was followed some years later by the establishment of Corner, Rajah Una and Westenholz Brothers Coconut Estates on the Selangor bank of the Bernam River, opposite to Hutan Melintang. Finally all were merged into United Plantations Limited, with an issued Share Capital of £440,000 and £8,900 6½% Debentures, and a total acreage of 9176 acres.

Though the headquarters of United Plantations have always been in Malaya, it is thus from Bangkok that this early Danish initiative to plant rubber in the Teluk Anson district of Lower Perak originated, backed by funds from relatives in Denmark. Aage Westenholz retired in 1911 and was succeeded in Bangkok by his younger cousin Lennart Grut who likewise elected to spend his working life in the East in preference to a Naval career in Baltic waters. The advent of the war in 1914 brought with it interference and difficulties in communications between Copenhagen and the East, and it fell to Lennart Grut to control from

Nov 1907.

STATUTES OF THE JENDARATA RUBBER CO., LTD.

1.

NAME, NATIONALITY, SEAT, REGISTRATION, AND OBJECTS OF THE COMPANY.

1.

The name of the Company is *The Jendarata Rubber Company Limited*. Its nationality is Danish; it is subject to Danish Law; and to Danish Jurisdiction.

2.

All members of the Board of Management (compare section 27 and following) shall be Danes or persons under Danish protection.

3.

The seat of the Company is in Bangkok in the Kingdom of Siam, where the Head office of the Company is situated. It shall have an Attorney in Copenhagen to represent the Company, to whom all communications from Danish authorities can be made with the same legal effect as if they had been served upon the Board of Management of the Company.

SIAM ELECTRICITY CO. LTD.

28 FEBRUARY 1907.

BOARD OF DIRECTORS

A. WESTENHOLZ, Esq.—Chairman.

A. JONSEN, Esq.,—Vice-Chairman
H. DEHLHOLM, Esq.
T. A. GOTTSCHÉ, Esq.
CHAMUN CHONG KWA
P. B. C. KINCH, Esq.

BANGKOK,

CAPT. T. GRUT,—Chairman of
Committee
O. BENZON, Esq.
A. BENZON, Esq.
COMMODORE J. TUXEN

COPENHAGEN,

BOARD OF MANAGEMENT.

A. WESTENHOLZ, Esq. A. JONSEN, Esq., H. DEHLHOLM, Esq.

Head Office: BANGKOK.

Branch Office: COPENHAGEN, PALAISGADE 1.

13TH DIRECTORS' REPORT.

To the Shareholders at the 16th Ordinary General Meeting

GENTLEMEN,

Your Directors hereby submit for your information and adoption the annexed statement of accounts for the year ending 31st December, 1906.

The gross profits for the year were	Ticals 1,030,852.76
Which after deduction of Depreciation	...	Ticals	240,939.57
Debenture Interest	...	"	48,029.52
Bad debts written off	...	"	5,174.70
General Expenses	...	"	35,747.14
Working Account Automobiles	...	"	3,818.02
Account for Adjustment of Exchange	...	"	1,860.81
And Insurance Fund	...	"	28,398.78
			363,968.54
leaves a nett profit of	...	Tcs.	666,884.22
added to which the balance for last year	...	"	10,686.09
			Ticals 677,570.31
makes a total at the disposition of the Company which it is proposed to distribute as follows:—			
Directors' Fees	...	Ticals	26,192.21
Redemption Fund	...	"	12,000.00
Dividend 12	...	"	262,050.00
Bonus for 1906—19 ticals per share	...	"	285,000.00
			585,242.21
and to carry forward	...	Ticals	92,328.10

During the year 1906, as predicted in our last report, it has proved difficult to maintain the former nett profits on the Tramways, in view of competition and additional expense on extended traffic under adverse conditions (the double-car system). However, the increase in our lighting business has more than compensated for the stagnation on our Tramways; and the actual profit for 1906 (in ticals) is higher than for 1905; while the fall in the value of gold makes it appear much higher in Sterling.

If the depreciation in gold continues, your Directors propose soon to lay before you a plan for increasing the nominal value of our capital (in Sterling) so as to bring it in accordance with the actual value of the tical.

During the year 1906 considerable improvements and extensions have been made or begun in our plant, aggregating in value nearly Ticals 300,000. Redemption of our A. Debentures was commenced and has been completed since New Year.

To provide investments for our funds, new undertakings, such as iceworks, have been entered upon; and the Company has taken part in the promotion of new companies, such as the Jendarata Rubber Co., and the Menam Motor Boat Co.; all on the principle that this Company should avoid investing in concerns off which the cream has been taken by other promoters ("skimmed milk.")

In May last the Company gave up to the Siamese Government the option to resume at any time all our rights for lighting north of Klongs Banglampoo and Mahanak, say about one-third of the area under our concession. This sacrifice was made unconditionally, as a free gift, with the conviction that the Siamese Government would not in future dealings with this Company forget our readiness to meet its wishes on this important point.

In December the Government was good enough to grant permission to relay our passing places, so as to allow for a larger number of cars at shorter intervals; which should materially improve our service while reducing the expense. This improvement will benefit the current year, for which we therefore venture to predict, in spite of the recent poor crop, results not inferior to any preceding year.

The year was marked by the sad accident by which H. E. the Minister in charge of Danish Affairs lost a foot. But no other permanent injury to life or limb took place on our Tramways; and, in this respect, 1906 was a record year.

During the year our Statutes have been revised so as to make registration on name compulsory for all shares.

Since February last following Directors have retired from office:—Phya Phipat Kosa, Mr. C. Sommer and Mr. G. Sass. Appointment to the Board of Mr. P. B. C. Kinch will be submitted for your adoption, as also the re-election of Messrs. A. Jonsen and A. Benzon, who retire by rotation.

On the Board of Management Mr. C. Sommer has been replaced by Mr. A. Jonsen whose appointment you will be asked to confirm.

The Meeting will also have to appoint an Auditor for the year.

AAGE WESTENHOLZ,—Chairman.

A. JONSEN.

H. DEHLHOLM.

} Directors



Jendarata bungalow 1906—not a single rubber tree which grew from the seedlings in front of the bungalow, now remains on Jendarata.

Bangkok the activities on the plantations. When on 19th December 1917 the plantations were amalgamated into the new company and United Plantations was born, it was therefore natural that he should become the Company's first Vice-Chairman, and he succeeded Aage Westenholz as Chairman upon the latter's death in 1935.

Trekking on

During the years between the two world wars when the vicissitudes of slump and political upheavals in the West turned the economics of rubber plantations into an unpredictable thing indeed, the first doubts about the future dependability of this culture began to stir. Being as it were an accessory of the modern technological revolution, this industry was also vulnerable to the effects of continuing technical advance; during world war I the first synthetic rubber was in fact produced. After the acquisition in 1926 of Kuala Bernam Estate, a coconut property in the Bagan Datoh peninsula, a major stake was secured in Bernam Oil Palms Ltd., which, with 6000 acres of oil palms 40 miles up the Bernam River from Hutan Melintang at Ulu Bernam Estate became a pioneer venture which owed its inception to Lennart Grut's faith in this crop. Extensive Dutch plantations in Sumatra were

at that time well established but little progress had so far been made in Malaya with oil palms.

As a considerable area of young rubber had recently been lost at Jendarata due to wind storm, a start was also made with oil palms as an alternative crop, and thus already in 1934 the first palm oil and kernels were produced by United Plantations, barely two years after the commissioning of the palm oil factory at Ulu Bernam Estate.

It is interesting to reflect that although it was the prosperity of the rubber plantation industry in its early days which provided the means of expansion and diversification into coconuts and later oil palms, its economic instability and fickleness, coupled with inherent cultivation problems in the environment prevailing at Jendarata, led to the gradual contraction of our rubber areas, their place being taken by oil palms which were found to thrive exceedingly well under local conditions of soil and climate. Yet so severe and protracted was the slump of the thirties, that little or no recompense for the initiative and expenses incurred was obtained before the cataclysmic events of the second world war struck home. When in the early thirties the wheels of the Mill at Ulu Bernam began to turn and the first palm oil was produced,

the f.o.b. price was £8, against an expectation of £20 per ton and a post world war one high of £60.

Nevertheless, progress during these lean years was substantial. Palm Oil production increased steadily and the establishment of the Malayan Palm Oil Bulking Co. Ltd. in Singapore in 1933 jointly with other Malayan producers and under the management of Messrs. Guthrie & Company enabled bulk storage, handling and selling to be adopted at an early stage, eliminating the costly and time consuming 45-gallon steel drums which were a prominent feature of initial production days. Rubber, which at one time dropped below 2d. per lb., revived sufficiently to justify the commencement of replanting in the oldest seedling areas, by then over thirty years old. New and improved planting material was gradually becoming available, in spite of development in Malaya being stifled by the one-sidedness of the Stevenson Scheme, which by its omissions enabled the rubber industry to make unrestricted progress in the neighbouring, then Dutch, territories. Our copra production, struggling with low prices and financial stringency, which severely limited the scope for upkeep expenditure, remained outstanding, and Chinese junks and Indian tongkangs carried the cargoes of United Plantations copra in bags from estate jetties to Penang for transhipment to ocean carriers or



Lennart Grut

direct to local millers. Producing at about \$2 per picul, and at prices around \$5.50, a coconut estate was no gold mine. Yet, the old connotation "Consols of the East" was not undeserved, as later events were to amply demonstrate; but the shareholder's lot in those days was not a happy one.

During the late thirties the mounting clouds of the worsening climate of world events were beginning to cast threatening shadows over Malaya. But little did the young planter wending his way home after his final round and office routine suspect that an epoch was drawing to a close. Those were the days when \$300.- per month was a princely "gaji" for those who had survived the "axe"; a good cook-boy earned \$30.- per month plus rice, at 16c. per gantang; a daily check-roll wage was 50c. or less — and whisky cost \$3.- per bottle. Those were also the days when international air travel was in its infancy, and the growing importance of air power was making its early impact. In Malaya, flying clubs backed by Government funds were flourishing in the major cities, and many young planters with other like-minded men from the professions and city offices took eagerly to this new and exciting exercise. With economies depressed and the outlook uncertain, what better relaxation than the freedom of the skies in a country ideally suited to aviation! Landing strips were established both at Ulu Bernam and Jendarata, and by light 'plane one could arrive in Kuala Lumpur or Penang for breakfast, transact business before lunch, and be back again during the afternoon. Setting out from Ulu Bernam by conventional means of transportation, the first 6 hours or more would be spent on the river launch, the next 5 hours in what would now be just about a vintage model motor vehicle, and before the expedition was over two nights and the best part of three days had gone. Even in those days time was money, and flying thus had its utilitarian attractions as well as its value as a recreation. As events were later to prove, it also had its part to play in promoting the rapid post-war rehabilitation and development of the estates.

War and Peace

The Japanese attack and occupation of Malaya brought a sudden end to a long pioneering phase of the company's history. During the occupation, attempts were initially made by the Japanese military administrations to work the estates, but the lack of competent management, and the absence of markets for the produce soon reduced the

THE UNITED PLANTATIONS LTD.

BALANCE SHEET, DECEMBER 31st 1918.

FOR PRESENTATION TO THE SHAREHOLDERS AT THE
2d ORDINARY GENERAL MEETING
 TO BE HELD AT THE OFFICE OF THE COMPANY
 FREDERIKSHOLMS KANAL 16, COPENHAGEN
 ON TUESDAY 24TH JUNE 1919, AT 2 P. M.

BOARD OF DIRECTORS.

<i>COPENHAGEN</i>		
AAGE WESTENHOLZ, Esq., <i>Chairman.</i>	COMMODORE J. TUXEN.	N. STOLTZ, Esq.
	OTTO BENZON, Esq.	A. N. HANSEN, Esq.
LIEUTENANT-COLONEL T. GRUT.	AAGE JONSEN, Esq.	TH. KNUDTZON, Esq.
<i>HANGKOK</i>		
COMMANDER W. L. GRUT, <i>Vice-Chairman.</i>	HERLUF ELSØE, Esq.	R. D. CRAIG, Esq.
<i>MALAYA</i>		
	H. N. PHILLIPS, Esq.	
MANAGERS.		
F. ADELBOG, Esq.	T. DAHL, Esq.	S. HALLEN-SCHWARTZ, Esq.

BANKERS.

COPENHAGEN: DEN DANSKE LANDMANDSBANK
 SIAM & MALAYA: HONGKONG & SHANGHAI BANKING CORPORATION.

LEGAL REPRESENTATIVE.

ULF HANSEN, Esq.
 26, NYBROGADE, COPENHAGEN.

1ST DIRECTORS' REPORT.

The Directors hereby submit the annexed statement of accounts for the year ended 31st December 1918.

Of the Co.'s Authorised Capital, £ 500,000, the shares issued for purchase of the Estates were,

For Jendarata Estate	282,000
• Rajah Una	53,000
• Corner Coconut	37,000
• Westenholz Bros.	25,000
1/1 1918, total shares of £ 1 each	397,000
Issued during 1918 for development Estates	43,000
1/12 1918 Total, of which 400,000 entitled to dividend for 1918	440,000

For development during 1919 a further issue of shares at par to the Shareholders is proposed.

Net profits for 1918 were	\$ 189,090.33
from which has been paid 2 interim dividends of 2.5% each	\$ 136,911.09
leaving a balance of	\$ 52,179.24
out of which it is proposed to pay a 1 1/4 % final dividend, making for 1918 a total of 5 1/4 % on £ 400,000	\$ 61,545.00
with a small balance to be carried forward	\$ 634.24

It is proposed for some years to continue distributing in dividends the whole of the profits, without setting any part aside for the future, which is considered sufficiently well provided for in the growing plantations.

With the small profits realised for 1918, the Board does not wish to burden the Co.'s budget with Directors' Fees.

All the Co.'s Estates have been well managed at a low cost, but the exceptionally low local prices, due to restrictions on exports, have reduced profits on Rubber to less than half.

The 1918 crop, on account of heavy wintering and of influenza, was less than 1917, total 758,881 lbs. only, produced at an average cost of 8.5 d. and sold at 15.6 d. pr. lb.

Most of the Estates are in first class condition, and nearly all the rest is rapidly improving towards the same condition, as may be seen from our V. A.'s reports, on view at the Office.

The Estates of the Co., on the 1/12 1918, comprised 9176 acres, of which 31 occupied by buildings etc., and the rest distributed as follows:

Planted	Rubber		Cocos						Total
	Jendarata	Corner	Jendarata	Corner	Westenh.	William	Erik	Total cocos	
1907-11	1804							119	
1912		119						119	
1913		80				435	495	1010	
1914		305	270	720	640	17	15	1952	
1915		31	753	300	41	15	5	1140	
1916		471	357					833	
1917	500		147					147	
1918	500								
Total planted	2804	1006	1527	1020	1116	532	5201	5201	
To be planted 1919	500			140			140	140	
later	500								
Total	3804	1006	1527	1160	1116	532	5341	5341 acres	
Number of resident labourers	1006	77	225	427	316	241	1286	1286 persons	

The Rubber crops for the next few years will probably remain at 780-800,000 lbs. p. a.; but in 1919 for the first time a crop of coconuts, estimated at about 700,000 nuts, is expected to add to the Co.'s profits.

On our Bernam Estates, indications of mineral oil have been found sufficiently good to make a well known expert, whose report is on view at our Office, recommend spending £ 5,000 on experimental borings.

The books of the Co. have been audited by Messrs. Mc. Auliffe, Davis & Hope, Chartered Accountants of Penang. The Auditors are ready to accept re-election for 1919.

On the Board Mr. V. Gedde's place has been taken by Mr. R. D. Craig, whose appointment you are asked to confirm. Mr. H. Hansen's name has been altered to H. Elsäe.

AAGE WESTENHOLZ
Chairman.

TORBEN GRUT
Director.

UNITED PLANTATIONS LIMITED (Incorporated in the Federated Malay States)

Working Account for the year ended 31st December 1918.

Dr.	\$	cts.	Cr.	\$	cts.
To Upkeep of Mature Area of Jendarata Estate including weeding and cultivation and upkeep of Roads, Bridges and Drains	10,209	85	By Net Proceeds of Sale of 758,881 lbs. Rubber including Stock at valuation	423,057	35
• Cost of Rubber collection and manufacture including Tapping and Collecting, Curing, Packages and Transport and upkeep of Machinery and Drying Sheds	128,280	30	• Surplus on Realisation of Balance of Crop	94	61
• General Charges and Administration Expenses	62,667	72	• Sundry Receipts	2,364	67
• Balance carried to Profit and Loss Account	218,358	76			
	\$	425,516	63	\$	425,516
				\$	425,516

Profit and Loss Account for the year ended 31st December 1918.

Dr.	\$	cts.	Cr.	\$	cts.
To Office Expenses, Copenhagen	5,327.49		By Gross Profit on Working Account transferred	218,358	76
• Bangkok	3,669.75				
• Debenture Interest	8,998	24			
• Depreciation	4,657	23			
• Net Profit for the year as per Balance Sheet	189,090	33			
	\$	218,358	76	\$	218,358
				\$	218,358

Balance Sheet 31st December 1918.

Liabilities.	\$	cts.	Assets.	\$	cts.
Share Capital Authorised			Properties and Development Account as per Statement attached	3,841,065	66
500,000 shares of £ 1 each (£ 500,000) —			Buildings do.	156,064	00
Issued			Plant and Machinery	21,514	17
440,000 shares fully paid \$ 3,771,428.58			Furniture	7,222	00
less			Livestock, Vehicles and Motor Car	9,307	40
Shares unpaid	6,308.60	3,765,119	Debtors	20,745	05
6 1/2 % Debentures £ 8,900 —	75,566	76	Advances	7,942	00
Loans			Stocks of Rice and Stores	8,771	97
Siam Electricity Co. Ltd. 41,354.19			Stock of Rubber	63,488	34
A. Westenholz 47,249.20	88,603	39	Formation Expenses	46,928	33
Creditors and accrued charges	82,535	85	Cash at Banks and in hand		
Bank overdraft			In hand Malaya	985.02	
Copenhagen Landmandsbanken	387,838	54	• Denmark	749.57	
Profit and Loss Account			At Banks Malaya	79,781.48	
Net Profit for 1918	189,090.33		• Siam	8,858.10	
deduct			• Denmark	178,490.67	
Interim Dividends Paid					
1st. Dividend 2 % 68,198.40					
2d. do. 2 % 68,712.69	136,911.09	52,179			
	\$	4,451,833	76	\$	4,451,833
				\$	4,451,833

AAGE WESTENHOLZ }
 TORBEN GRUT }
Directors

TH. KNUDTZON
Director & Secretary

I hereby certify that above accounts are a correct extract of, and agree with, the accounts examined and certified as correct by Messrs. Mc. Auliffe, Davis & Hope, Chartered Accountants, Penang.
 Copenhagen, 12th June 1919.

TH. MØLLER
Chartered Accountant

M. SMITH

operations to a make-believe performance, typical of the shadow play enacted under authoritarian dictation where economic realities are denied. Maintenance and supervision gradually contracted to areas immediately adjacent to roads, installations and habitations, and the rest was virtually abandoned.

Great hardship was suffered by our labour forces and staff, who had largely to fend for themselves and maintained a meagre existence by subsistence cultivation on reserve land of what food crops they could raise, in an environment notoriously unfavourable to such

forms of husbandry. It is but fitting that there should be recorded here the great loyalty and sense of duty towards the Company shown by many members of our staff during those desperate times, often at great peril to themselves.

A not inconsiderable proportion of our Indian labourers was deported to work and largely perish on the notorious "Siam Railway", and it became one of the early problems after reoccupation to rebuild the labour force so that the estates could be rehabilitated.

Miraculously, none of the European staff,

many of whom were in the various volunteer armed Services, was lost. Some were captured and became prisoners of war, either on the Siam Railway or elsewhere. Some who were serving in the Volunteer Air Force were in units which were evacuated from bases in Sumatra and Java after the surrender of Singapore, and were able to return to Malaya immediately after the reoccupation. By the end of 1945, rehabilitation work was in full progress, and production of the Company's staple products commenced early during 1946. The first post-war years provided plenty of problems. Cash reserves were extremely low, labour forces depleted, demoralised and

physically debilitated, factories and buildings run down or partly destroyed, and transport non-existent. Last but not least, world markets for the Company's produce were slow to become re-established. Natural rubber was the worst sufferer of the effects of the holocaust and the aftermath. The U.S.A. had vastly improved synthetic rubber. Production for the war economy had been given every priority, both on the side of the Democracies and in the Germany of the Nazis. It took an unconscionably long time to reconstitute the shattered world economy to again require natural rubber. It is a peculiar twist of providence which makes Pearl



The first coconut seed nuts arriving at Sungei Bernam Estate 1914

Harbour not only the name synonymous with the fall and later the recovery of Malaya, but also the catalyst of the rise of the synthetic rubber industry. Yet, in retrospect it seems iniquitous that one had to wait for the post-Korea commodity boom to put rubber estates economically back on their feet. And at that time the industry had already become the target of the deadly communist insurrection which has gone down in Malayan history as the "Emergency".

The revival of the oil palm industry was less protracted but also provided its headaches. Harvesting, mainly by chisel or axe which served well enough at ground level, had become a problem even before the war over considerable areas. Bringing these fields, now four years older and past the critical age and

height, back into production with a largely new generation of labourers was a major problem. After an expensive and inconclusive interlude when first bamboo and later metal ladders were used, the first conversion of the coconut picking stick technique to oil palm harvesting was successfully achieved on the Bernam River. Since then it has become the universally accepted method of harvesting when palms reach a height of 12 feet and above. Only the coconut areas which on our estates had been spared the misfortune of being irretrievably overwhelmed by noxious growths, and only in a few cases had suffered serious damage from neglected drainage, gave prompt financial returns. Copra being a staple of eastern daily life was in ready demand, and our coconut palms in spite of permanent losses of produc-

Flooding of low lying area at Ulu Bernam Estate 1930



*(from left to right)
Messrs. A. Bjørklund,
L. Grut and T. Dahl
at Sungei Bernam Estate 1917*

tivity due to war-time neglect and ageing were worth their weight in gold during this period.

By 1948 the plantations had regained to a considerable extent their pre-war standards, replanting schedules were again in operation and plans for expansion were being laid. Economically, the increase in the internal post-war cost structure in Malaya, although considerable, had stabilized and was being more than matched by commodity price trends, except in the case of rubber which had the competition from U.S. government supported synthetic to contend with.

It was at this stage that early in 1949 Lennart Grut died. With Aage Westenholz he had provided the driving force behind the enter-

prises in Malaya. These two men, united in kinship and resolution, yet so different in temperament, had guided the destinies of the plantations through a turbulent period in history. Subsequent developments proved the foundations to have been well laid.

The later years

With rehabilitation of the estates barely completed and future planning merely in the blue print stage, the second phase of the struggle for the Far East commenced. This time the forces of world communism, sustained by the democracies during the onslaught of the axis powers, saw their chance of easy gain during the period of slow and faltering recovery of the world economy and the unsettled conditions in vast areas of Asia,

*Mr. L. Grut and
Mr. V. Torbjørnsen
inspecting young oil palms
at Ulu Bernam Estate 1928*



where crumbling colonial administrations were giving way to emerging nationalist aspirations.

In China, Mao Tse Tung's rebound from Yenan carried him quickly through the partial vacuum left by the defeated Japanese to victory and the expulsion of the nationalist regime of Chiang Kai Shek to Taiwan. The full impact of this event still remains to be seen. It met with enthusiastic responses from the lesser communist "liberators" and purveyors of the new gospel in the surrounding territories. In the Philippines the Huk rebellion was ultimately put down by the young Republic after much bloodshed and bitter fighting. In Korea the communists were only defeated after America decisively threw her weight into the balance and General McArthur's forces drove the armies of Peking back from Korea over the Yalu River, leading to the division of the country between communists and anti-communists. But the upshot of this American involvement was the commodity boom of the early fifties. For Malaya, then deeply involved in its own communist insurrection, this economic windfall was of great benefit.

United Plantations during these post-war years reaped the full benefit of earlier labours. The increasing importance of the oil palm crops emphasized the need for improving the facilities for handling and disposing of palm oil, and a tank storage installation was established at Penang in 1952. A motor tank vessel for transporting the oil and other produce from the Bernam River to Penang was later commissioned. Meanwhile the replanting of old seedling rubber areas has been continuing apace, and suitable adjacent areas of land have been purchased and planted with oil palms.

The continued expansion of this crop has led to its increasing domination of the Company's economy, and in the interests of administrative and technical efficiency well equipped engineering and research sections have been developed which are able to cater not only for internal requirements but also for external customers.

The need for diversification has been met by initiating agronomical enterprises in other areas such as Swaziland in Africa and Ecuador in South America, in which United Plantations retains substantial interests, but also in Malaya a successful alternative to oil palms has been found in the development of Cocoa planted under Coconuts. These experiments commenced in 1950 and have been steadily pursued in the face of a number of problems, until the stage has now been reached where an economically significant area has been success-

fully established and forms the basis of rapid expansion.

In spite of the exigencies of the Emergency and the personal tragedies involved, economic and political development in Malaya continued. On the whole, these have been prosperous times for the plantation industry — and for Malaya. In August 1957, after successful negotiations with the British Government, the independent sovereign state of Persekutuan Tanah Melayu, the Federation of Malaya, was proclaimed. The subsequent emergence of the enlarged federation of Malaysia, the confrontation by President Sukarno's Indonesia and the dissociation of Singapore are recent history. So also is the as yet inconclusive war in Vietnam, where although clearly discernible, the aggressive designs of communism appear to be successfully camouflaged behind a smoke-screen of newspaper headlines and well meaning world liberalism.

It therefore came as a fitting conclusion when near the end of the fifty years under review, in an atmosphere again permeated by the uncertainties of war, United Plantations in 1966 acquired Bernam Oil Palms by amalgamation. Having at the inception in 1927 contributed 40% of Bernam Oil Palm's capital, United Plantations and Bernam Oil Palms have always operated in very close unison and their policies have been complementary. The Share Capital is today £3,235,366 and the total area 28,201 acres.

Epilogue

The Malayan plantation industry has survived a remarkable sequence of tribulations and disasters. Time and again it has adapted itself to the needs of the times, it has bent with the storms, it has prospered when the economic barometer was set fair, and it has adjusted itself resolutely to the political winds of change. It has been a fulcrum about which the economy of Malaya has pivoted, and the economic pulse of the country has beaten in time with the fortunes of the industry.

With its headquarters at Jendarata, United Plantations has been somewhat geographically isolated, yet it has been in the fore-front of progress, and its history of effort and achievement is a fascinating Malayan record. No one can foretell what the future holds in store, but after these fruitful years of activity and growth in spite of wars, slump and upheaval, one may justly hope that our Company will continue to thrive and play its proper part in the economic advancement of a free and prosperous Malaysia.

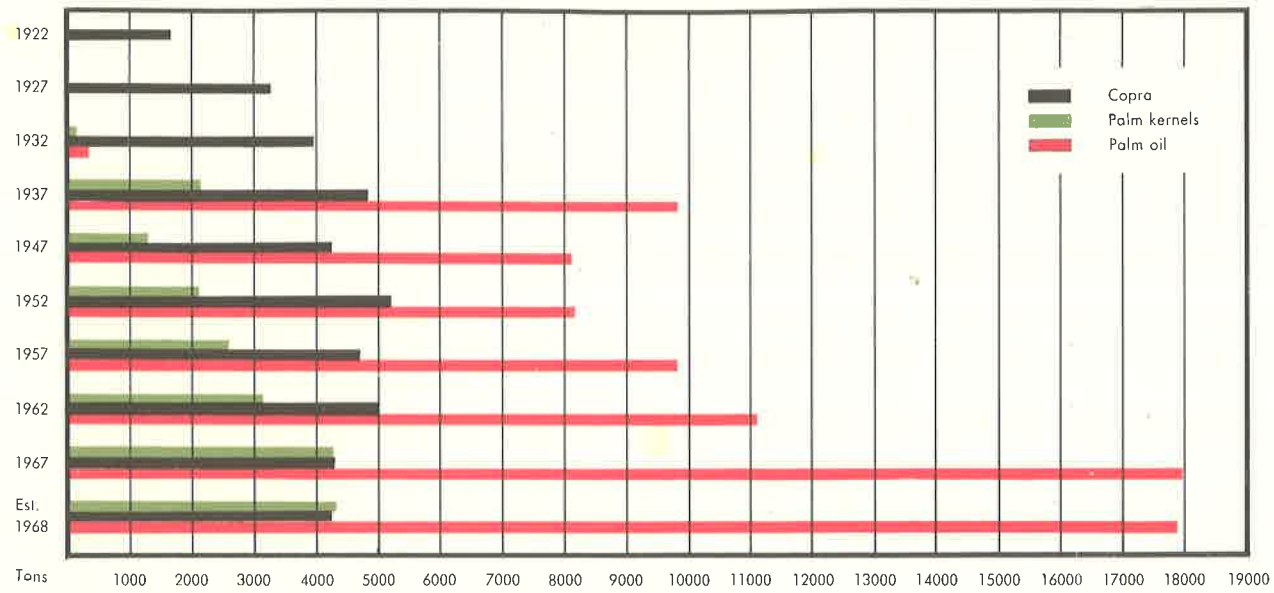


Staff and labourers at Sungei Bernam Estate 1917

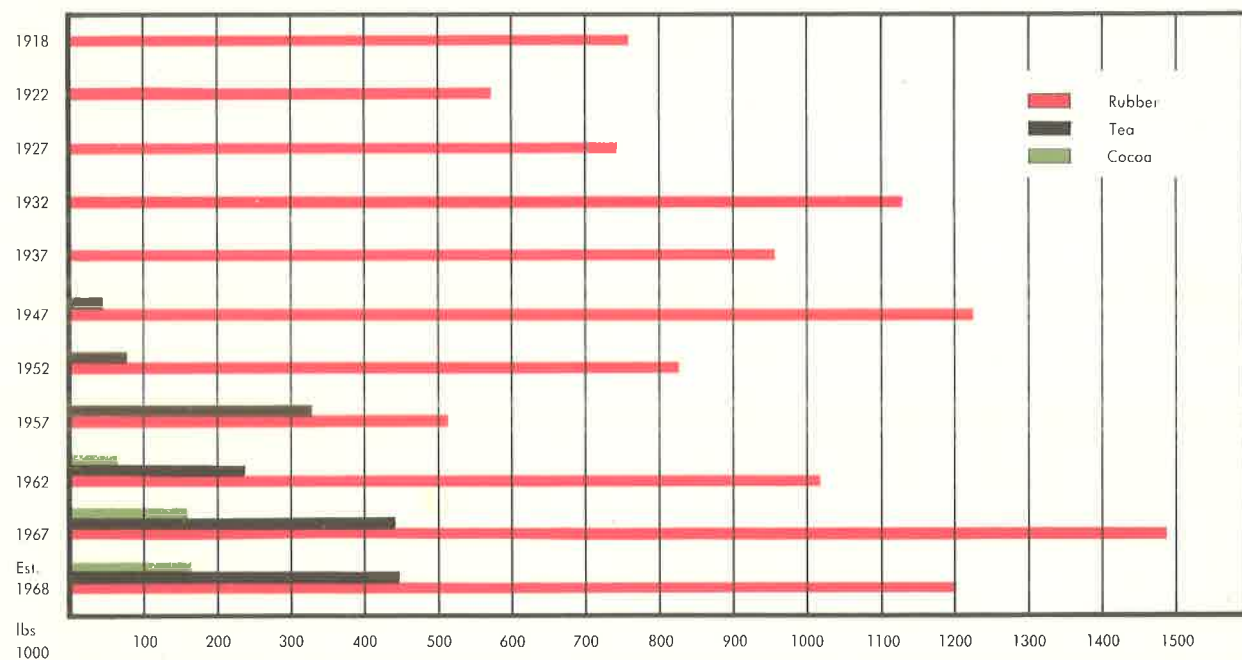


*GOLDEN JUBILEE CELEBRATIONS—19TH DECEMBER, 1967
Golden Anniversary Presentations to workers engaged by United Plantations, Ltd. on the date of inception.*

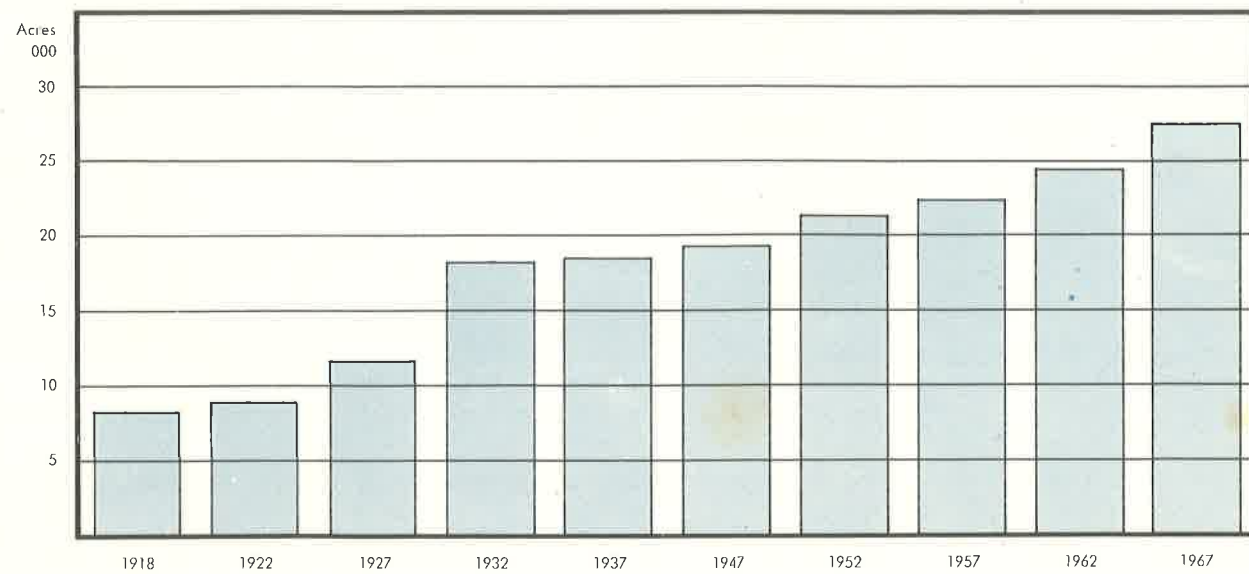
PALM OIL, PALM KERNEL AND COPRA PRODUCTION



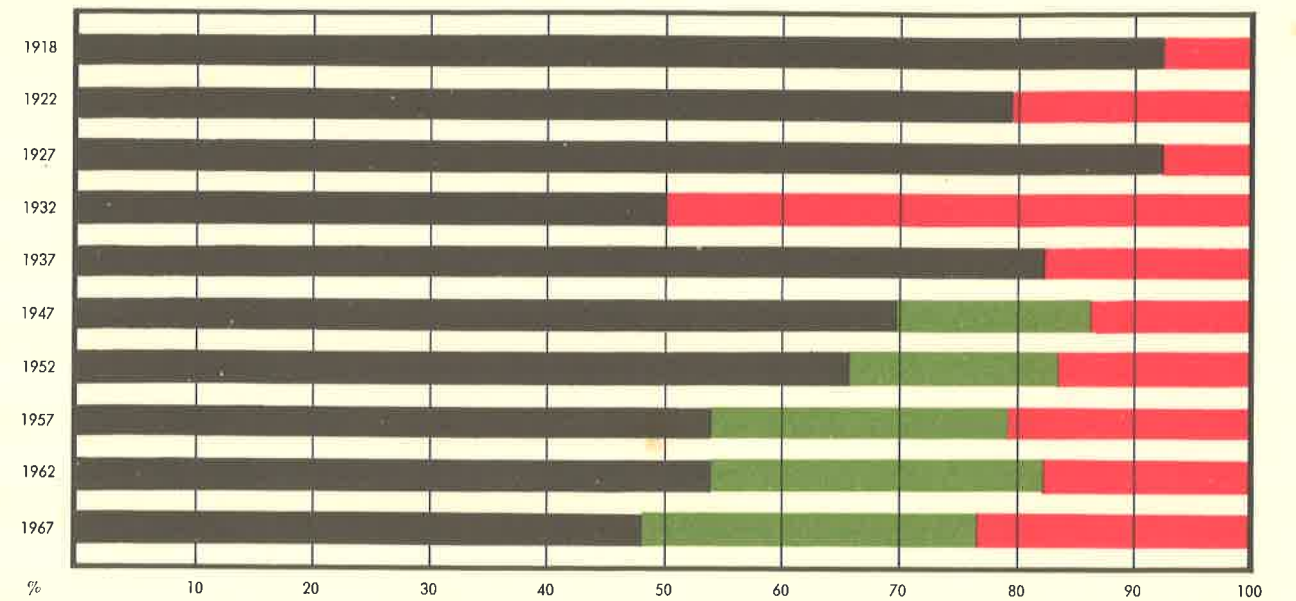
RUBBER, TEA AND COCOA PRODUCTION



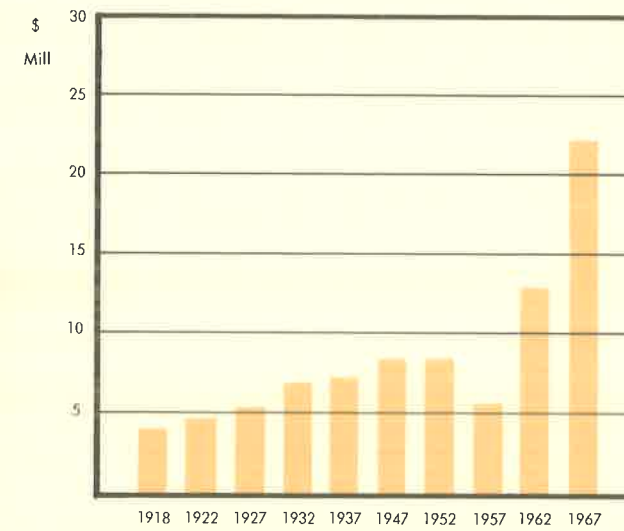
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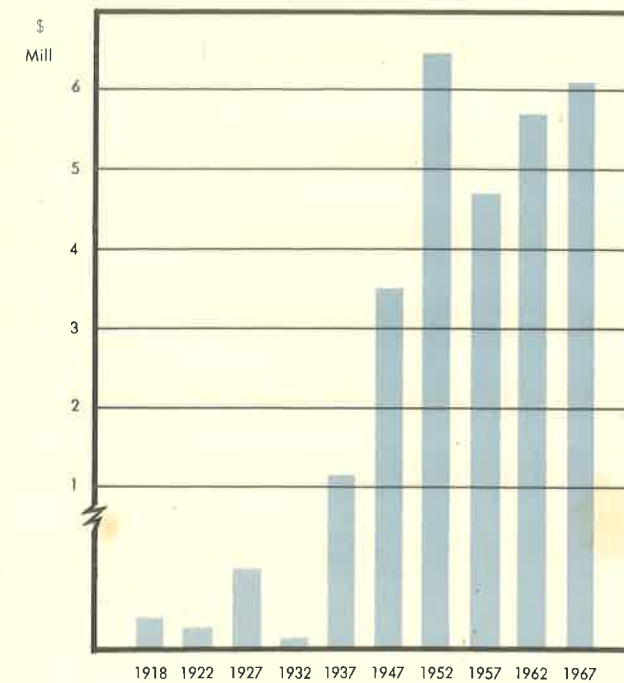
NETT PROFITS, TAXES AND DEPRECIATION EXPRESSED AS PERCENTAGES



ISSUED CAPITAL



PROFIT BEFORE TAX



NETT DIVIDEND

