

MSM in advanced talks for two upstream Indonesia acquisitions

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Sugar-producer **MSM Malaysia Holdings** is reportedly, in advanced talks to acquire two Indonesian firms in the upstream market, local newspapers published.

The **Edge Financial Daily said** that MSM is in “advanced” negotiations to acquire two Indonesia-based firms operating in the upstream market.

MSM is also exploring opportunities to form strategic alliances or mergers and acquisitions (M&A) with listed firms in the ASEAN region, which the company official declined to identify.

President and group CEO Sheikh Awab Sheikh Abod said MSM would hold a majority equity stake, if it chooses to acquire another firm.

He told reporters that the group aims to be an integrated sugar producer next year by diversifying into the upstream market and expanding its midstream market, apart from its downstream core business.

The group also aims to dominate the Singapore midstream market in 2018, from the current market share of about 18 per cent to 20 per cent. He noted that 2015 and 2016 are growth years for the business.

MSM is the listed subsidiary of world’s largest producer of crude palm oil **Felda Global Ventures Holdings**, which is also listed on Bursa Malaysia.

“We do not want to rest on our laurels,” Sheikh Awab said at a press conference after the firm’s AGM today.

MSM targets that both the upstream and the downstream segments will contribute 30 per cent each, to the firm’s profitability. The remaining 40 per cent will come from the midstream segment.

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