

# MEDIA STATEMENT

## Statement on Plantation Land in Chuping, Perlis

**KUALA LUMPUR, 2 February 2019** – MSM Malaysia Holdings Berhad (MSM), the country's leading refined sugar producer and a subsidiary of FGV Holdings Berhad (formerly known as Felda Global Ventures Holdings Berhad) refers to the article dated 1 February 2019 that appeared in Harian Metro titled "Tanda Tanya 600 Pekerja – FGV jual tanah seluas 99 hektar di Chuping".

In the article, there was confusion over two (2) separate matters. One (1) involved the disposal of idle land by Felda Global Ventures Perlis Sdn Bhd, a wholly owned subsidiary of FGV. The second matter is with regards with MSM's asset rationalisation plan.

As stated in the article, the FGV land in is less than 100 ha and is a leasehold property with about 40 years left on the lease in Chuping, Perlis.

It is idle land and not of productive use or commercial value to FGV. It is not strategically located nor is it contiguous to any of FGV's estate or mill operations. It is not creating any value for our shareholders. There are no factories or FGV's estate workers on the land as described in the article.

FGV's Board of Directors has approved the liquidation of Felda Global Ventures Perlis that own the land in question, and will result in the disposal of the 100 ha land in Chuping, at the best value, thus open tender was issued.

All processes have been and will continue to be undertaken in a transparent and lawful manner.

Meanwhile, MSM, a 51% listed subsidiary of FGV, is also in the process of disposing off our non-core assets which includes 4,453.96 ha of agriculture land located in Chuping, Perlis. This land is cultivated with rubber, oil palm and mangoes. Some sections of the land have already been rezoned by Perlis State Government for residential use.

The proceeds will be utilised to create more value for shareholders.



MSM's Board of Director has approved the sale of the land in December 2017 due to the fact that is not profitably utilised. Subsequently in December 2018, the Board mandated that the sale to be conducted through an open tender process.

Thus far, interest in the land has been from third parties who have a clear commercial interest in the property. Should this interest materialise into a sale, it will benefit the people and the state as a whole.

MSM is still undergoing all necessary processes in a transparent manner, in full compliance with all relevant laws.

All stakeholders have been and will continue to be engaged and timely disclosures will be made.

**-ENDS-**

#### **About MSM Malaysia Holdings Berhad (MSM)**

MSM Malaysia Holdings Berhad (MSM) is Malaysia's leading refined sugar producer and one of the biggest sugar refiner in Asia. MSM is involved in producing, marketing and selling refined sugar products under the Gula Prai brand. The company conducts its business principally through three operating subsidiaries, MSM Prai Berhad, MSM Perlis Sdn Bhd, and MSM Sugar Refinery (Johor) Sdn Bhd. In addition, MSM also operates a logistics company – MSM Logistics Sdn Bhd and a trading company – MSM Trading International DMCC, based in Dubai, United Arab Emirates.

At present, MSM's annual production capacity is up to 2.25 million tonnes of refined sugar. In 2017, MSM produced 1,024,931 tonnes of refined sugar, of which 139,540 tonnes are catered for the export market. Currently, MSM corroborates up to 58% of the domestic market share. MSM has been listed on the Main Market of Bursa Malaysia since 2011 and has a market capitalisation of RM 2.88 billion as at 31 December 2017. MSM combines economic success with environmental protection and social responsibility for a sustainable future.

MSM offers a variety of products ranging from white refined sugar of various grain sizes to soft brown sugar. These are marketed and sold in a variety of packaging options under its flagship brand - Gula Prai. MSM also sells molasses, a by-product of the refining process, to distilleries and producers of ethanol, animal feed and yeast, among other products. Aside from household consumers, MSM sells to a wide range of customers in Malaysia and in other countries directly and indirectly through traders, wholesalers and distributors. Its customers include major companies in the beverage and confectionery industries, hotels, restaurants and food outlets.

For more information, please visit [www.msmsugar.com](http://www.msmsugar.com)

#### **Forward Looking Statements**

Certain statements in this media release regarding MSM's operations may constitute forward-looking statements. These statements can be identified by key words such as "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "outlook" and other words of similar meaning in connection with a discussion of future operating or financial performance. These statements relate to the plans, objectives, goals, strategies, future operations and performance of MSM. Actual results and outcomes may differ materially from those projected in any forward looking statements due to various events, risks, uncertainties and other factors. We neither intend to nor assume any obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

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