



## MSM Malaysia sells Chuping land to F&N for RM156m



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KUALA LUMPUR: MSM Malaysia Holdings Bhd is selling 4,453.92ha of agriculture land in Chuping, Perlis to Fraser & Neave Holdings Bhd's (F&N Holdings) wholly-owned F&N Agrivalley Sdn Bhd for RM156 million.

The land is currently used for the cultivation of rubber, oil palm and mangoes.

F&N Agrivalley plans to use the land for dairy cattle farming and milk production.

Ladang Chuping is situated 28km to the north-east of Kangar or about 8km to the south of Padang Besar.

In its statement today, MSM group chief executive officer Datuk Khairil Anuar Aziz said the sale was effected via an open tender process which commenced in January.

He assured the entire process was conducted in a transparent manner even though the selling price is at 18 per cent discount on the market value of the land.

He said the board of MSM believes the land sale was in the best interest of MSM.

"We were clear from the outset that the disposal should bring benefit not just to MSM but also to Perlis and the communities that live in the area, to balance up the commercial and social values.

"We will continue to dispose our non-core assets to unlock value and to ensure that management and financial resources are committed to our core business," he added.

Khairil said MSM, which is 51 per cent-controlled by FGV Holdings Bhd, will focus on improving efficiency to lower refining cost, diversifying into value-added sugar products for exports.

In a separate statement, F&N Holdings chief executive officer Lim Yew Hoe said that the vertical integration model for Ladang Chuping would enable it to be less dependent on imported milk while promoting the local agricultural industry.

This is in line with Malaysia's ambition to be more self-sufficient.

"This investment reflects the potential we see in filling the gap of local dairy sector, and the huge opportunity to increase fresh milk consumption in Malaysia in our journey towards a healthier society.

"The large contiguous land allows for an integrated model from grass to glass. It will be based on a sustainability agenda, using precision agronomy technology and good practices to reduce the overall carbon footprint of the crop farm; dairy barns and other facilities," he added.

F&N Holdings employs more than 2,600 employees in Malaysia. It produces beverages and among its bestsellers are 100PLUS, F&N Fun Flavours, F&N Seasons, F&N condensed and evaporated Milk, F&N Magnolia, Oyoshi, Farmhouse, Carnation and F&N Fruit Tree.

Apart from Malaysia, F&N Holdings also operates across Brunei, Thailand and Indochina. It is a subsidiary of Fraser and Neave Ltd, a company listed on the Singapore Stock Exchange.

**AGENCY:** New Straits Times (Online)

**LINK:** <https://www.nst.com.my/business/2019/10/528129/msm-malaysia-sells-chuping-land-fn-rm156m>