

FGV exploring all avenues to expand sugar business

BUSINESS

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KUALA LUMPUR: FGV Holdings Bhd said the company and subsidiary MSM Malaysia Holdings Bhd are "exploring all avenues" to expand its sugar business, but discussion are still at a preliminary stage.

"The board of directors of FGV wishes to clarify that the group is exploring potential collaborations in the palm and sugar industries, both in the upstream and downstream sectors," it said.

"These potential collaborations include strategic alliances," the company said in a statement to Bursa Malaysia today.

The statement was in response to a news report saying that FGV is in talks with potential buyers for its 51% stake in MSM.

Since MSM Johor refinery came onstream in 2019, FGV said its total refining capacity increased to 2.2 million tonnes. This enables the company to serve both its domestic requirements and seek new opportunities in export markets.

"As such, FGV and MSM are exploring all avenues to successfully enter regional and international markets," FGV said.

FGV has previously stated that the group is working on its transformation plan which includes reviewing all under performing and non-performing businesses, especially the group's legacy investments.

"There are several initiatives that are ongoing and are at various stages of review and implementation," it said.

Shares in MSM jumped 21 sen, or 18% on Friday to close at RM1.38.

AGENCY: The Star (Online)

LINK: <https://www.thestar.com.my/business/business-news/2019/07/26/fgv-exploring-all-avenues-to-expand-sugar-business/#YMfYBT0IF7yE14dJ.99>

