



MSM in expansion talks with 4 firms

KUALA LUMPUR: Sugar producer MSM Holdings Bhd (MSM) says it is in talks with at least four global entities for collaboration or merger and acquisition (M&A) opportunities to expand its downstream and upstream businesses overseas.

Its president and group chief executive Datuk Dr Sheikh Awab Sheikh Abod said the company is looking at expanding its downstream business in several countries in Indochina and is eyeing Asia and Africa for its upstream businesses.

He said the company is considering both small companies and big players for acquisition to strengthen its position in the global arena and become a leading player in the sugar industry.

"We are keeping our options open, whether to establish partnerships with the companies or acquire them. It would depend on the potential and need.

"For our upstream business, we chose Asia and Africa as our new hubs because we want to capitalise on the growing consumption rate in the two regions," he told a press conference after the company's annual general meeting, here, yesterday.

Sheikh Awab said MSM will embark on aggressive efforts in expanding its downstream segment, which comprises sugarcane planting and processing raw materials to produce sugar.

Currently, the company imports raw materials from Brazil, Australia and Thailand to

produce and market the end products.

"With more involvement in the downstream business, the company will be able to reduce the cost of importing raw materials and increase its profit margin in the future," Awab said.

On its joint-venture with Dubai-based Al Khaleej International Ltd to build a RM800 million sugar refinery plant at the Port of Tanjung Pelepas in Johor, he said the project will be finalised by August.



MSM president and group chief executive Datuk Dr Sheikh Awab Sheikh Abod says the firm is looking at expanding its upstream and downstream business