

Felda already owns 77pct stake in FGV – minister

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The Federal Land Development Authority (Felda) now owns a 77 percent stake in FGV Holdings Bhd, said Minister in the Prime Minister's Department (Economy) Mustapa Mohamed.

He said, following this, Felda only needed another 13 percent equity interest in the plantation group to delist the company from Bursa Malaysia.

According to Mustapa (above), the majority shareholding in FGV was in line with the government's aspiration to help Felda revive and strengthen its financial position, which would also benefit settlers.

“One of the ways towards the recovery process is to restructure loans by issuing sukuk guaranteed by the government amounting to RM9.9 billion.

“The objective of the sukuk (issuance) is to reduce Felda's debt burden... hence, when this debt burden is reduced, it will strengthen Felda's financial standing and the settlers can also get the benefit,” he told a press conference in conjunction with his visit to the National Food Warehouse site in Sungai Tinggi Selatan, Kuala Kubu Bharu today.

Also present was Felda director-general Amiruddin Abdul Satar.

Elaborating further, Mustapa said the list of debts of all settlers was expected to be announced in May this year after the completion of an audit process by an accounting firm.

“This matter has been keenly awaited by the Felda settlers and definitely when it is announced, would reduce the settlers’ burden,” he said.

Besides that, he said Felda is in the midst of undertaking a transformation process in the aspects of management, efficiency, administration, and finances to restore its position.

Meanwhile, Amiruddin said Felda is on the right track in its efforts to increase its shareholding to up to 90 percent in FGV.

"We hope to further increase our shareholding through the mandatory takeover and (we) have about one week before the market closes on the March 15 deadline.

"Even though the acquisition of shares will end, Felda has measures and strategies to buy the shares subsequently," he said.

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