

## **Absurdity In NFCorp's "Expansion" Plans**

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In a statement today, NFCorp Chairman, Muhammad Salleh "explained that the publicly-funded cattle-rearing firm was building up the market in Singapore" to justify the setting up of a Farmhouse Supermarket in Singapore soon.

PKR Strategic Director Rafizi Ramli had first exposed the fact that NFCorp may be using public funds to expand into the supermarket business in Singapore which are owned directly by the directors of NFCorp and not by NFCorp itself.

Rafizi has today responded by questioning NFCorp on the basis of expansion overseas when it was the objective of the NFCorp to fulfill 40% of the local beef demand. At the moment NFCorp is barely scratching 1% of the local market demands, hence any investments for overseas exports is not only premature, but also contrary of the objectives set out in the government's RM250 million loan agreement to the company.

I would further add the fact that opening a "supermarket" is a completely different business from that of "exporting" beef, even if such exports were indeed justified. Sale of beef and beef products in such a supermarket would only contribute a miniscule percentage of overall product sales and will do very little towards increasing the demand for beef from Malaysia in Singapore.

If promoting beef from NFCorp is indeed the overriding objective in setting up the Farmhouse Supermarket, then Muhammed Salleh either completely lacks business sense or is lying through his teeth to justify the use of public funds.

What is perhaps most damning, is that a check with the Agri-Food and Veterinary Authority (AVA) of Singapore has shown that there is no approval to import raw beef from Malaysia. At this point of time, only "processed beef" such as sausages, patties, meatballs, smoked meat etc., are approved for selected companies. Even so, only 5 companies are approved and they are Mac Food Sdn Bhd, Nestle Manufacturing Sdn Bhd, PAP Cashnet Sdn Bhd, Unilever Bestfoods Sdn Bhd and Lucky Food Processing Sdn Bhd.

NFCorp has not been given any approval to export its beef or processed meat to Singapore. Hence how can Muhammed Salleh claim that the setting up of Farmhouse Supermarket, which is already about to open for business, be in the interest of promoting NFCorp's "Gemas Gold"? Is this not a clear case of putting the cart before the cows?

Most importantly, the allegation that part of the RM250 million loan to NFCorp was utilized to set up Farmhouse Supermarket, which is directly owned by the family of Minister of Women and Family Development, Sharizat Abd Jalil has yet been answered by NFCorp. Such diversion of funds from the NFCorp is clearly in breach of the Loan Agreement and the Companies Act 1965.

Muhammed Salleh should not be distracted from the core issue of criminal breach of trust and must be held accountable to the tax-payers who are funding the operations of NFCorp.

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