

List More Felda Subsidiaries On Bursa Malaysia, Government Told
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KUALA LUMPUR, Sept 25 (Bernama) -- The successful listing of a felda subsidiary engaged in the sugar industry, MSM Holdings, has prompted several parties to urge the government to list other Felda subsidiaries on the bourse.

They feel the move will help increase settlers' income significantly and uplift their socio-economic well-being through share ownership.

"The listing will not only benefit 112,635 settlers but also 1.8 million Felda populace, including settlers' families," says Datuk Khairil Anuar Aziz, a panel member of professional thinkers called "GAPROF Anak Felda".

"We want to see shares to be issued to be given directly to the Felda community at all levels, be they in or outside the country," he told BERNAMA in an exclusive interview today.

Khairil Anuar said the settlers could use the extra income from the share profit to invest in Koperasi Permodalan Felda, Amanah Saham Nasional, Tabung Haji and other investment schemes

GAPROF Anak Felda is a "think tank" under Felda Seranta under the Prime Minister's Department comprising second generation Felda settlers.

It was set up to provide an opportunity to Felda settlers' children to jointly assist the government and Felda management in upgrading the social well-being and enriching the economic resources.

Several quarters have suggested that Felda lists its oil palm units which would enable the agency to realise the real commercial potential as a listed company.

"Generally, oil palm-based companies are in a good position for listing (on Bursa Malaysia). Although Felda's sugar company is not big, its value rose upon listing.

"If oil palm-related companies are to be listed, it will definitely yield good results as the market for expansion is huge in the country and outside," said Khairil Anuar, a second generation Felda settler.

MSM Holdings was listed on Bursa Saham on June 28 at RM4.45 a share, a 95 sen premium as compared to RM3.50 institutional price. The Initial Public Offer (IPO) price was RM3.38.

The company's share price has almost doubled now.

Khairil Anuar said the timing to list Felda oil units was apt now as palm oil prices were at the peak and this would provide a golden opportunity for Felda settlers to own shares in a potential and high-income sector.

"The demand for palm oil has been always quite stable, be it when the economy was in good state or otherwise. We see this is a good opportunity as the industry is sustainable and expansion-driven." he said.

According to market analysts, crude palm oil prices are expected to be stable and will remain at the RM3,100 a tonne range throughout the year.

The palm oil export value based on Malaysian Palm Oil Board (MPOB) statistics is expected to hit RM80 billion this year, surpassing the highest in 2008, about RM65 billion.

Khairil Anuar also said the listing would generate more revenue via improved efficiency as listed entities would operate with more transparency and are subjected to strictly adhere to corporate governance rules and regulations.

After more than 50 years, the time has come for Felda to undergo a transformation phase, going forward, that is listing, which will provide added value and profit to the land development agency.

Listing will also showcase Felda's vast development, settlers higher income and their quality of life. Khairil Anuar's parents only earned RM2.90 a day in 1967 and now more than RM4,000 a month.

Asked when Felda subsidiaries would be listed, Khairil Anuar said: "Definitely, we want it to be speeded up, but a thorough study should be done before making a decision on which are the subsidiaries to be listed."

"We don't want to see after one or two years after listing, we don't get the value we expected. We have to be selective.

"It's okay if there are not many companies (for listing), but the selected ones must give good value. The quality is more important, but we must start something," he said.

Khairil Anuar did not dispel the expectation that the listing of Felda subsidiaries would yield more than 10 per cent returns as was enjoyed now by members of the armed forces under the Armed Forces Fund Board.

He said Felda must invest and expand its operations as competition is becoming increasingly intense both from within and outside.

"We are competing with the Sime Darby Group, Kuala Lumpur Kepong, IOI Group and Sabah Sawit and in fact with also foreign countries like China and Indonesia. Indonesia is actively increasing oil palm hectarage.

"If Felda don't want to intensify its business in whatever form, its huge size now will shrink in the 10 years ahead," he added.

Felda, the country's biggest plantation owner, owns some 800,000 hectares via Felda Global Ventures and Felda Holdings.

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