

Tabung Haji in RM555m palm oil venture

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LEMBAHA Tabung Haji has entered into a US\$15 million (RM55.21 million) venture with a Chinese company to acquire and refurbish an palm oil refining plant in Indonesia for the biodiesel industry.

"The deal would be completed by the end of the month," TH Plantations (thd) managing director Datuk Rashidi Omar said at a press briefing in Kuala Lumpur yesterday on the extension of the closing date of its initial public offering to April 10 from yesterday.

He said TH Plantations would manage the plant, which he targets to resume operations by the end of the year. TH Plantations is the plantation unit of Tabung Haji.

Of the US\$15 million, Rashidi said US\$7 million would be used to refurbish the plant that will increase its production capacity to 1,500 tonnes from 1,000 tonnes previously.

He said with the acquisition, Tabung Haji would be able to venture into downstream activities such as biodiesel to diversify its palm oil production.



Ismail Ismail

TH Plantations has a total of 16,227ha of plantation land in West Malaysia, of which 15,471ha has been fully planted besides managing oil palm plantations for Tabung Haji.

Last year, Rashidi said TH Plantations earned RM12.5 million in revenue from managing Tabung Haji's plantations. Tabung Haji has 56,000ha in Sabah and Sarawak, and 82,000ha in Indonesia.

On the extension of the closing date for TH Plantations' IPO, Tabung Haji chief executive officer and group managing director Ismail Ismail said this was to give more time for eligible Tabung Haji



Rashidi Omar

depositors to apply for the shares.

TH Plantations is allocating 41.07 million shares from its offer for sale of 74.52 million shares to its depositors. Eligible depositors are those above 18 years old as at March 25 and have an active account, which had recorded a transaction in the last seven years.

He added that to facilitate the application, depositors can also submit their applications to Tabung Haji's 121 branches nationwide, of which the last day for the submission is at 12pm on April 9 for Terengganu, Kelantan and Kedah, and at 5pm on April 7 for the other states.