

# Emery CEO believes in Asian markets

By LIZ LEE  
lizlee@thestar.com.my

**SHAH ALAM:** Under the new stewardship of Sime Darby Plantation Sdn Bhd and Thai petrochemical company PTT Chemical International Pte Ltd, Emery Oleochemicals (M) Sdn Bhd will see its first significant investment involving Islamic bonds issuance worth RM480mil expected to be issued early next year.

Of the figure, RM416.2mil will be pumped into three expansion projects in Malaysia while the remaining will go into research and development and other smaller projects.

"In order to grow our customer and product base, we have to invest. Much of our investments are focused in Asia because obviously the market is here," group chief executive officer and board member Dr Kongkrapan Intarajang told

*StarBizWeek.*

In response to earlier reports that the company had delayed the bond issuance, Kongkrapan said Emery was getting investment rating and regulatory approval and the bonds were on track to be issued in the fourth quarter.

"We are just controlling the pace because we have to match the issuing with our funding needs," he said.

For why Emery went to the bond market, he said: "We still have a lot of room to borrow as our debt of equity is not high and we feel that the sukuk is the best way to fund because liquidity is there and there is an appetite from the investing community."

As one of the world's largest natural-based oleochemical producer, it produces chemicals derived from vegetable oil and animal fat that are then used in the manufacturing of myriad of everyday products from



**Kongkrapan:** 'There is an appetite from the investing community.'

ink, plastics and lubricants to cosmetics, soap and pharmaceuticals.

Headquartered in Malaysia, Emery is the "most global" oleochemical company with worldwide reaches in over 50 countries and plants in the United States and Europe.

Although the US-born company has gone through numerous ownership and name changes throughout its 170 years of history, it emerged as Emery Oleochemicals in 2008 through Sime Darby Plantation and

PTT Chemical.

PTT Chemical is the international investment arm and wholly-owned subsidiary of PTT Chemical PCL.

"We have come a long way even though the company (under its new name) is only a few years old mainly because both shareholders are investment and growth-driven," Kongkrapan said.

Last year, the Emery group achieved a revenue of US\$1bil and it anticipates a similar revenue figure for this year.