

EPF denies plan to buy stake in Pharmaniaga

Several parties said to be keen on UEM's stake in the firm

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PETALING JAYA: The Employees Provident Fund (EPF) has denied that it is interested in acquiring a part or the whole of UEM Group Bhd's 87% stake in Pharmaniaga Bhd, as reported by an English-language daily yesterday.

An official with the EPF said there was nothing further to comment as "this is not true".

Meanwhile, in an e-mail reply to a query by *StarBiz*, UEM Group said it was unable to comment on any

speculation. UEM Group is a wholly-owned unit of government investment vehicle Khazanah Nasional Bhd.

"UEM Group will continue to undertake measures towards achieving its business objectives and creating value for its stakeholders," the company said.

Nevertheless, it is understood that several parties are interested in buying UEM Group's stake in Pharmaniaga, which has a steady income derived from a concession to supply and distribute pharmaceutical and medical products to

Government healthcare facilities.

An analyst with an independent brokerage said the steady income from the concession business, which made up the bulk of the company's business, was what these potential buyers were after.

However, he was unsure if UEM was going to divest its entire stake in the company or just enough to make sure that Pharmaniaga conformed to the public shareholding spread under Securities Commission (SC) guidelines.

The company's current public shareholding spread, as at the end

of 2009, was 12.98% whereas the SC required public-listed companies to have at least a 25% public shareholding spread.

Pharmaniaga was recently in the spotlight after a subsidiary, Pharmaniaga Manufacturing Bhd, saw its manufacturing licence revoked by the Health Ministry following a routine audit of the Bangi plant for several non-compliance issues.

However, in a filing with Bursa Malaysia on Monday, the company said the ministry had reissued the licence.

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