Kanger, FRIM to set up bamboo plantation

BY ADELA MEGAN WILLY

KUALA LUMPUR: Kanger International Bhd, a bamboo flooring manufacturer, has teamed up with the Forest Research Institute Malaysia (FRIM) to jointly establish a bamboo plantation on a commercial scale in Malaysia.

The two parties will also work together on the research and development, manufacturing and production of bamboo products.

Kanger and FRIM yesterday signed a memorandum of understanding (MoU), which is effective for three years, on the collaboration and will enter into more binding agreements in the future.

In a filing with Bursa Malaysia yesterday, ACE Market-listed Kanger said the MoU is in line with the group’s objective of diversifying its earnings base and exploring new markets by developing new bamboo-related products and plantations.

“Kanger has been working on establishing a commercially viable bamboo plantation in Malaysia since pre-initial public offering. This collaboration with FRIM may be the final step towards that goal,” said Kanger deputy chairman Datuk Kuan Ah Hock in a separate statement yesterday.

Kanger executive director Syed Hazrain Jamahullail said currently, the local bamboo industry is still mainly focused on agriculture or cottage industries, with low returns.

“With Kanger’s 13-year experience in the relatively new global bamboo market and in production of high-value bamboo products, combined with FRIM’s agriculture and technical expertise, we aim to develop the bamboo industry in Malaysia into a significant sector of the economy,” Syed Hazrain added.

“The business activities that will be carried out by the joint-venture company are expected to be a source of stable recurring revenue for Kanger in the foreseeable future,” he noted.