

CCM to sell its six pharma units to subsidiary

02 December 2014 | News | By BioSpectrum Bureau

CCM to sell its six pharma units to subsidiary



Singapore: Chemical Company of Malaysia (CCMB) recently announced that the company is planning to sell its six pharmaceutical units in Malaysia, the Philippines and Singapore to its subsidiary CCM Duopharma Biotech Bhd (CCMD) for RM133.3 million.

CCM Duopharma has allocated RM140 million to pay for the acquisition. It will invest RM50 million to expand the group's pharmaceutical manufacturing operations.

CCM said in statement that the acquisition is expected to improve utilization rates by channeling capacity of any production facility within CCM Duopharma to any under-utilised production facilities.

CCM further mentioned that the company is planning to use RM132.525 million of the proceeds from the disposals to reinvest in its subsidiaries while the remaining RM 800,000 is for estimated expenses.