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Khazanah speeds up on opex reduction to boost profit

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"We started doing all this reorganisation and restructuring at the beginning of this year. The five Transitional Priorities are ongoing and executed over the next five years," the spokesperson said.

The state-owned fund was among the highest-paying funds at one time, seeking to woo the best talents from international and local investment and fund management firms. But that had come at a hefty cost and high opex.

The board in 2017 comprised 13 members including former Prime Minister (PM) Datuk Seri Mohd Najib Razak as the chairman. Today, the board comprises only nine members including the PM Tun Dr Mahathir Mohamad.

Its senior leadership team comprised 23 individuals based on its "Building True Value" Khazanah Report 2017. Based on the website presently, the management team comprises 19 people.

Khazanah has also announced that it

would shift its headquarters from Petronas Twin Towers to Mercu UEM in KL Sentral as the sovereign wealth fund seeks to reduce its expenditure. Khazanah is expected to take up a few floors of the building.

Shahril Ridza was reported as saying that move to KL Sentral from the iconic Petronas Twin Towers will save Khazanah at least RM20 million annually.

The fund, which was given a refreshed mandate has been divesting non-strategic assets worth billions, reducing its mounting debts and delivering higher profits.

The fund is expected to return to the black with over RM5 billion profit this year.

Meanwhile, Khazanah is hopeful to hive off loss-making Malaysia Airlines Bhd from its books.

The government has shortlisted four candidates to take over the ailing airline which is bleeding about RM1 billion a year, a cost that Khazanah does not want to bear anymore.