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Boustead's three-pronged strategy to reinvent itself



KUALA LUMPUR: [Boustead Holdings Bhd](#) has embarked on a three-pronged strategy to strengthen its financial performance by leveraging on technology and digital push and venture into new business opportunities.

It said on Thursday its “Reinventing Boustead” strategy was to maximise value creation by strengthening and improving the performance of the existing core businesses.

In a statement released after its virtual shareholders meeting, Boustead said the group is also introducing new business models for new revenue generations, as well as launching several strategic initiatives to identify and explore new opportunities for the group.

Under the three-pronged strategy, the first is a rejuvenated transformation programme (Rejuvenated EDG320) for the core businesses driven by a new performance Improvement programme;

Second, it will explore and venture into new business opportunities and sustainability by embracing innovative and relevant technological services; and

Third, it will adopt relevant and synergistic digital businesses to support the core businesses and to enhance new value creation for the future.

Boustead said its plan to expand its traditional brick-and-mortar businesses will be incubated through the newly established Boustead Technology Services (BTS) and Boustead Digital Services (BDS).

This would see BTS exploring technologies such as championing renewable energy, digitising defence solutions and Internet of Things (IoT), and Unmanned Aerial Vehicle (UAV).

As for BDS, it will focus on developing and enhancing digital solutions within the group's ecosystem through co-creations, co-ownerships and prudent investments in digital companies.

Boustead said the co-creation initiatives will be carried out with Boustead Innovators Creators Ecosystem Partners (BICEP) which will identify digital and high technology-based companies, including start-ups.

The group has also embarked on a smart debt management initiative. It will focus on reducing borrowing to an optimal level through sale of non-strategic assets and monetisation of property inventories.

The initiative will also reprofile and rebalance the group's funding structure with financial institutions; as well as further strengthening the financial position and increasing the group's value.

Boustead group managing director, Datuk Seri Mohammed Shazalli Ramly said the group would develop and use data analytics, business intelligence platform and continuous learning to set the path of its business plans and shape its innovative decisions for today and the future.

"We need to rethink the way we do business and how we engage our customers. In this day and age, our brick-and-mortar businesses are continuously exposed to disruptions. Through reimagination of the status quo, we could overcome the disruptions or even create our very own and strengthen our position.

"We shall also rationalise non-strategic assets to strengthen the standing of the group's reinvented core businesses and leverage on new ventures within the technology and digital space," he said.

Boustead chairman Datuk Seri Mohamed Khaled Nordin said despite the setbacks of the pandemic, the diversified nature of the group's businesses, helped to mitigate the impact.

"The group continues to give unwavering focus in the Reinventing Boustead strategy to revamp our ways in executing businesses, capitalising on emerging opportunities and accelerating value creation to improve business prospects and maximise returns to our shareholders," he said.