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Business Focus to expand its shipping venture in Egypt

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BUSINESS Focus Sdn Bhd, through its subsidiary Penang Shipbuilding and Construction Sdn Bhd (PSC), is set to expand its shipping venture in Egypt following the signing of a preliminary agreement on the privatization of Alexandria Shipyard.

Business Focus executive chairman Datuk Amin Shah Omar Shah and Egypt's Holding Company for Maritime Transportation chairman Capt Atef Hassan Mohd Marouni signed the agreement yesterday at the G-15 trade exhibition in Kuala Lumpur.

Prime Minister Datuk Seri Dr Mahathir Mohamad and Egyptian Foreign Minister Amre Moussa witnessed the signing of the agreement.

Holding Company for Maritime Transportation is an Egyptian state-owned company.

Amin Shah, speaking at a press conference after the signing ceremony said under the terms of the preliminary agreement, the Egyptian Government has agreed to provide PSC the exclusive option to evaluate and prepare within six months, a feasibility study on the proposed privatization of Alexandria Shipyard.

"The Egyptian Government will then evaluate our feasibility study to determine whether PSC should be given the contract for the privatization of the shipyard," he said, adding that the concession agreement has not been finalised.

Amin Shah said the Egyptian Government has, however, indicated the contract may be worth about US\$50 million.

He also said the Egyptian Government and President Hosni Mubarak, have given an assurance on the policy of liberalising rules and establishing good business relations with Malaysia.

Prior to the signing of the agreement, Business Focus was awarded the privatization contracts of Tema shipyard in Ghana as well as that for local shipyards, Naval Dockyard Sdn Bhd in Lumut and Lada Langkawi (Holdings) Sdn Bhd in Langkawi.

Overseas investments include WaveMaster International, Ocean Spirit Cruises and Vagabond Cruises in Australia, and the Sandton Hilton Hotel in South Africa.

The acquisition of Alexandria Shipyard is expected to bring synergy to Business Focus' maritime operations and activities.

Alexandria Shipyard is a significant shipbuilding and shiprepair complex in the Mediterranean. It is located in the sheltered anchorage of the western harbour of Alexandria.

The shipyard has a total yard area of about 400,000 sq m, a quay length of about 1,200m and a workforce of 5,200.

It also has two building berths, with the capability to build general cargo vessels up to 20,000 deadweight tonnes (dwt) and tankers or bulk carriers up to 35,000 dwt. It has an annual maximum building capacity of 52,000 dwt.

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