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FACB unit acquires 39pc stake in CTRM

FACB Aerospace Bhd, a wholly-owned subsidiary of public-listed FACB Bhd, has acquired 39 per cent of state-owned Composites Technology Research Malaysia Sdn Bhd (CTRM).

With the acquisition, CTRM is now 51 per cent owned by the Ministry of Finance Inc, 39 per cent by FACB Aerospace and 10 per cent by Petronas.

CTRM chief executive officer Tan Sri Dr Chen Lip Keong said the acquisition of the company by FACB Aerospace, which involves some RM44 million, reflects "the private and public sectors' ability to work hand-in-hand in promoting and spearheading the aerospace industry in the country."

"The whole purpose (for the acquisition) was to encourage more private sector participation in the local aerospace industry, which is in tandem with the Government's policies," he told a news conference in Langkawi yesterday after the signing ceremony between FACB Aerospace and the Ministry of Finance Inc.

FACB Aerospace was represented by Chen, who is also the president, while the Ministry of Finance Inc was represented by the Finance Ministry's secretary (finance division) Datuk Dr Hadenan Abdul Jalil.

The signing ceremony was witnessed by the Prime Minister Datuk Seri Dr Mahathir Mohamad, which was held in conjunction with the Langkawi International Maritime and Aerospace Exhibition (Lima) 1997.

Dr Mahathir also witnessed the signing ceremony of two separate agreements between CTRM and Perusahaan Otomobil Nasional Bhd (Proton) and the Royal Selangor Flying Club.

There was also a memorandum of understanding (MOU) between CTRM and Denel Aviation Malaysia Sdn Bhd.

Chen inked the agreement on behalf of CTRM while Proton, Selangor Royal Flying Club and Denel Aviation Malaysia were represented by Datuk Salleh Sulong, Lt Gen Datuk Nawi Alias and Mr Johann Holdt respectively.

Under the agreement with Proton, CTRM will sub-contract the manufacture of composite parts for the national car manufacturer's Lotus Elise sports car in Malaysia.

"The scheduled operational date for this venture is early next year and initially, we will manufacture composite parts for up to 2,500 Lotus Elise cars per year.

Currently, all parts of Lotus Elise are manufactured and sourced from the UK.

About 90 per cent of the Lotus Elise produced will be exported and the rest for the local market. Already, it has an 18-month waiting list in Europe.

The Lotus Elise is expected to be available in Malaysia early next year and is awaiting price approval from the Government.

"The participation by CTRM in car composite manufacturing reflects its competencies in both aerospace and non-aerospace sectors," Chen said.

At present, it is producing the two-seater Eagle and the four-seater Lancair, with capability in aerospace and non-aerospace composite component manufacturing.

CTRM's agreement with Royal Selangor Flying Club is for the sale of two Eagle 150Bs to the club.

Currently, the Eagle 150B is manufactured at CTRM's facilities in Batu Berendam, Malacca and assembled in Perth, Australia by trained Malaysian

and Australian engineers and technicians.

Chen said the Eagle 150B at the Royal Selangor Flying Club will be used by its members to fly the aircraft for recreation as well as part of the training requirement for private pilot license.

To date, the Eagle 150B has entered the Australian market with sales of more than 10 aircraft and generated over 60 bookings. The Eagle 150 has also generated interest in Thailand, India, Europe and South Africa.

On the MOU with Denel Aviation Malaysia, Chen said the purpose is for CTRM to enter into sub-contract manufacturing on a long-term basis for composite components and to provide logistic support on these components for Rooivalk Combat Helicopter, manufactured by Denel Aviation Malaysia.

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