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KUB hopes to get privatization deals overseas

SOON-to-be-listed KUB Malaysia Bhd hopes to clinch privatization deals overseas which it said will be undertaken together with a few other Malaysian and foreign companies.

Stating that Africa is one of the places that KUB may go to, chairman Datuk Hassan Harun declined to reveal further details but said the deals are the result of his visits abroad with Prime Minister Datuk Seri Dr Mahathir Mohamad.

"We hope to conclude the first deal by the end of this year," Hassan told reporters after KUB's annual general meeting yesterday.

Though he did not want to disclose the nature of the privatization deals, he acknowledged that it is not in the construction or property sector.

He added that KUB will be working together with Malaysian companies and local partners in a consortium to be formed, so as to reduce KUB exposure.

However, he added: "From the look at it, we may lead the consortium."

On the effect of the privatization project on KUB earnings, Hassan explained that as the matter is still at a preliminary stage, the contributions of the projects to KUB cannot be ascertained.

Of late, KUB had signed a few agreements with foreign partners. In London, KUB has established ties with Krone AG for telecommunications and infrastructure. In Los Angeles, KUB's subsidiary signed an agreement with Science Applications International Corp to pursue business opportunities related to broad areas of information technology and system integration.

Meanwhile, on its listing exercise, Hassan said the board of directors feels that it will be best for KUB to be listed on the Kuala Lumpur Stock Exchange in the third quarter of the year.

However, they have yet identify the suitable date, he added.

KUB had earlier expected its shares to be traded on the local bourse in the first quarter of the year. However, due to technical hitches, the listing had to be delayed.

On the development of its ongoing projects, Hassan said for its petrochemical township in Bachok, Kelantan, KUB has been approached by multinational companies which are keen to participate in the township.

The feasibility studies on the township are still being conducted. "We hope to get something concrete going within this year," he added.

Keloil Sdn Bhd and KUB had earlier signed an agreement for both companies to initiate a feasibility study to determine the initial outlay for the development, which will sprawl over 2,000ha site.

The project, to be known as the Pantai Senok Integrated Petrochemical Complex, will be the centre for downstream activities and the gas industry in Kelantan.

On its proposed multi-media university project, Hassan said once approval is obtained from the Ministry of Education, KUB would want to list the university on Malaysian Exchange of Securities Dealing and Automated Quotation to raise funds to finance the project.

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