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Titan Group to invest RM3b on new plant

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THE Titan Group, which operates a RM2 billion petrochemical complex in Pasir Gudang, Johor, is investing another RM3 billion in an expansion project at the adjacent Tanjung Langsat Industrial Estate.

The new mega project will be built on a 40ha site purchased for RM40 million from Johor Corporation, the developer of the estate exclusively for heavy industries.

A memorandum of understanding for the land purchase was signed at Hotel Sofitel in Senai, Johor Baru, yesterday, between Titan Group chairman T.T. Chao and Johor Corp group chief executive Datuk Mohamad Ali Hashim.

The ceremony was witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and Johor Menteri Besar Datuk Abdul Ghani Othman.

The Titan Group comprising three companies - Titan Petrochemicals (M) Sdn Bhd, Titan Polyethylene (M) Sdn Bhd and Titan PP Polymers (M) Sdn Bhd - is a joint venture between Chao Group International of Taiwan and PNB Equity Resource Corporation Sdn Bhd, a wholly-owned subsidiary of Permodalan Nasional Bhd.

PNB was represented at the signing by its chief executive officer Datuk Mohd Hilmey Mohd Taib.

The expansion project at Tanjung Langsat marks phase two of the group's plan to build a fully integrated mega petrochemical complex in Johor.

The new plant will produce 330,000 metric tonnes per annum of ethylene and 165,000 MTA of propylene, using state-of-the-art technology.

The group's existing plant in Pasir Gudang comprises a flexible naphtha/LPG cracker with 230,000 MTA of ethylene and 115,000 MTA of propylene, a polyethylene plant which uses ethylene from the cracker to produce 220,000 MTA of liner low density polyethylene and high density polyethylene, and a polypropylene plant producing 130,000 MTA of polypropylene homopolymer and copolymer.

Polypropylene and polyethylene, the basic building blocs of the plastics fabrication industry, had been registering consistent a double digit growth in demand in recent years.

The Titan deal also marks a major success for Johor Corp which has been trying hard to woo high-technology heavy industries to set up base in Tanjung Langsat.

The estate was developed by its wholly-owned subsidiary, Johor Technopark Sdn Bhd. When fully developed, the park, spread over 2,200ha, will be one of the biggest parks for heavy industries.

It is being designed to become the hub for heavy industries in the south, with all the necessary infrastructure and service facilities including a harbour.

Between 30,000 and 50,000 workers are expected to work in Tanjung Langsat, making it the second biggest industrial site in the southern corridor after Pasir Gudang.

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