

28 JAN 2004

KONSORTIUM-EXPAND

KONSORTIUM LOGISTIK SET TO BE BIGGEST LOGISTICS SERVICE PROVIDER

By: Tengku Noor Shamsiah

KUALA LUMPUR, Jan 28 (Bernama) -- Konsortium Logistik Bhd's consolidation with DiPerdana Holdings Bhd will pave the way for the former

to be the biggest logistics service provider in the country.

Its executive chairman and president, Mirzan Mahathir said: "We are in

the midst of consolidating with DiPerdana Holdings Bhd.

"And if we are able to do that successfully, we may be the biggest player in the country," he told Bernama today.

He said Konsortium had approvals from the relevant authorities to carry out the consolidation exercise.

"Hopefully by the first quarter we will complete (the whole process), he said.

Mirzan said with the completion of the consolidation exercise, Konsortium was expected to increase its market share close to 20 percent.

Currently, the market share is only 10 percent.

Mirzan said the merger with DiPerdana would bring to the group a new list of customers, enabling the company to provide a more integrated range of logistics services to the industry.

He said the group would maintain DiPerdana (as it is) for now.

"We do not want to make any drastic changes with regards to its services. What we want to do is to back the move," he said.

Apart from that, Mirzan said the group would continue to invest in its people and the system.

"I think there is a need to increase knowledge and capabilities. Konsortium is a service company and logistics is not something that there requires indepth knowledge."

Mirzan said the present workers need to increase their competency to cope with this ongoing business.

He said the company was working on a few projects but did not elaborate.

Hopefully, he said, these new projects will generate revenue that the group had anticipated.

On the haulage side, Mirzan said the group hoped to up its haulage handling by 45 percent.

Touching on the group's performance, Mirzan said last year was not a great year as "Up to the third quarter the results were slightly negative.

We hope to swing it around eventually."

Konsortium had bought over the assets and business of DiPerdana for RM80 million through the issuance of 50 million new ordinary Konsortium shares at an issue price of RM1.60 per Konsortium share.

DiPerdana's principle activities involved container haulage, forwarding, container depot management and warehouse services.

On another note, Mirzan said Konsortium was also set to be more focused in expanding its services into the regional markets.

He said for the past three years the group has been working on this via its offices in Bangkok, Jakarta and India.

The group is expected to market its services aggressively.

Asked whether the group would be expanding into the huge China market

Mirzan said, "You can't ignore China, and we have to look at all possibilities to have our presence there." -- BERNAMA

TNS KTC