

CMS, KKB set to form strategic alliance



Dato Kho Kak Beng and Dato' Richard Curtis seal the deal after the signing ceremony held 30 July 2007. Also pictured are Tuan Syed Ahmad Alwee Alsree and William Kho Pok Tong

KUCHING: Cahya Mata Sarawak Bhd (CMS) and KKB Engineering Bhd (KKB) yesterday entered into a Memorandum of Understanding (MoU) to negotiate a proposed strategic alliance to undertake steel fabrication activities in the oil and gas, shipping and marine sectors.

Under the MoU, CMS and KKB will also negotiate entering a Sale and Purchase agreement for the proposed acquisition by KKB of 27.6 hectares of leasehold land at Sejingkat, Kuching.

This will enable KKB to expand both its existing steel fabrication capabilities and to use the land's water frontage to enable its steel fabrication business to diversify into the oil and gas and marine sectors.

During the signing ceremony held at CMS Head Office at Wisma Mahmud in Kuching, CMS Group Managing Director Dato' Richard Curtis said "CMS and KKB have worked successfully together in the past".

This MoU is now the platform for creating a win-win situation for both parties whereby CMS realizes long term value out of this land formerly used for our steel mill and KKB is able to expand and diversify its core steel fabrication business".

Dato' Kho Kak Beng said "This MoU is the first step towards a stronger and more resilient joint cooperation for both CMS and KKB in times to come and marks the beginning of joint operations between CMS and KKB. We believe it won't be the last."

Signing for CMS were Dato' Richard Curtis and CMS Deputy Group Managing Director, Tuan Syed Hmad Alwee Alsree. KKB engineering Berhad was represented by chairman and Group Managing Director Dato Kho Kak Beng and Director William Kho Pok Tong.