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# Serba Dinamik says Tanzania JV to recognise income starting May

**BY SYAHIRAH SYED JAAFAR**

**KUALA LUMPUR:** Serba Dinamik Holdings Bhd expects its joint-venture (JV) project to build a chlor-alkali plant in Tanzania to begin recognising income starting May.

Serba group managing director and group chief executive officer Datuk Dr Mohd Abdul Karim Abdullah said the undertaking of its engineering, procurement, construction and commissioning works related to the project, valued at US\$80 million (RM312.8 million), is expected to bring an expected gross profit of 20% spread over a duration of 18 months.

“Through this JV, we gain immediate presence in Tanzania, which is our first market presence in Africa. We also gain the advantage to explore other low-hanging fruit opportunities in the operation and maintenance segment in the region,” he told *The*



*Edge Financial Daily* yesterday.

Within the African region, Mohd Abdul Karim said Serba is also looking to penetrate Senegal, Guinea and Ivory Coast markets.

“As for countries beyond the African region, we are focusing on countries in Central Asia, namely Turkmenistan, Uzbekistan and Kazakhstan,” he added.

In a statement, Serba said its wholly-owned subsidiary Serba Dinamik International Ltd (SDIL) held a ground-breaking ceremony with Junaco (T) Ltd in Tanzania yesterday to mark the beginning of their JV to set up the 45-tonne-per-day chlor-alkali plant.

“The construction of a chlorine plant is particularly suitable as an

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alternative to import as it is more cost-effective and practical for water treatment and mineral processing applications,” said Mohd Abdul Karim.

SDIL on March 23 entered into a shareholders’ agreement with Junaco to form a strategic collaboration and to govern the material aspects of the proposed JV, the conduct of the business, and the management of Sufini Holding Ltd, which is the JV company.

Sufini is a special purpose vehicle established for the purpose of holding 100% equity in Msufini (T) Ltd, which in turn will own the plant directly and has the sole purpose of executing the project.

Under the JV, SDIL will hold a 25% equity stake in Sufini while Junaco will hold the remaining 75%.

“We remain focused on growing the company’s profitability, ensuring the sustainability of our business and value creation for our stakeholders. With that, we will continue to look for new opportunities to further enhance our earnings and exposure within the region,” Mohd Abdul Karim added.