

KNM secures RM2bil biomass contract in UK

Project represents firm's drive into renewable, clean energy sector

By **M. HAFIDZ MAHPAR**
hafidz@thestar.com.my

PETALING JAYA: Oil and gas process equipment maker KNM Group Bhd's wholly-owned subsidiary KNM Process Systems Sdn Bhd (KNMPS) has secured a £450mil (RM2.196bil) engineering, procurement, construction and commissioning (EPCC) contract for a biomass and waste recycling centre project in England.

KNM told Bursa Malaysia that KNMPS yesterday entered the agreement for the EPCC of works towards the development of an 80MWe gross capacity energy from biomass and

waste recycling centre project called EnergyPark Peterborough in Peterborough.

The contract with Peterborough Renewable Energy Ltd spans four years.

"This project represents KNM's drive into the renewable and clean energy sector," KNM said.

The company said it was not expected to have any material impact to KNM Group's financial performance for this year ending Dec 31.

However, the project was expected to contribute positively to its earnings for the next four financial years.

"The project is subject to certain risks mainly in the power and renewable energy industries and legislation on clean energy in the United Kingdom.

"These include changes in general economic conditions such as, but not limited to, inflation, taxation, foreign exchanges, interest rates, labour and material supply, changes in business and operating conditions such as, but not limited to, government and statutory regulations and deterioration in prevailing market conditions," KNM said.

KNMPS is mainly involved in the design, engineering, procurement and manufacturing of process equip-

ment, including without limitation pressure vessels, reactors, columns and towers, drums, heat exchangers, air finned coolers, process gas waste heat boilers and specialised shell and tube heat exchangers.

It also provides technical and project management services in relation to process equipment, plant facilities and general facilities for the oil, gas, petrochemicals, minerals processing and renewable energy industries.

Last month, KNMPS won a RM680mil bid to supply technical documentation, equipment and services for the development of gas condensate fields in Uzbekistan.