
Sinotrans enters into engineering logistics market in Saudi Arabia

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It is reported that logistics services provider Sinotrans Limited is foraying into the Saudi Arabian engineering logistics market in partnership with local ALMAJDOUIE Group. It signed an agreement with ALMAJDOUIE in Beijing on June 24th 2008, planning to set up an engineering logistics joint venture in Saudi Arabia.

A senior executive of Sinotrans Limited revealed that the venture with ALMAJDOUIE will be the company's first venture in the overseas market, which is an important step towards globalization of its engineering logistics business. He added that "The two parties hope to further extend their cooperation. It will be 50:50 owned by Sinotrans Limited and ALMAJDOUIE."

ALMAJDOUIE has grown into a group company with diversified operations in logistics, real estate, automotive sales, steel, and food. As the largest inland transport services provider within the territories of Saudi Arabia, it has cooperated with Sinotrans Limited since 2005.

In the past 3 years, both sides completed the customs clearance and 500,000 freight tonne inland transport of 5 cement production lines owned by Sinoma International Engineering Company Limited in the country. ALMAJDOUIE also provided quality services for a cement plant built in Saudi Arabia by Sinoma International, under the aegis of China National Materials Group Corporation.

Sinotrans Limited's businesses include freight forwarding, express services and shipping agency, storage and terminal services, marine transport and other trucking transportation- based services. Its market cap reaches HKD 3.43 billion. Sinotrans Group previously released that it would focus on two flagship businesses in the future, namely, shipping business of Sinotrans Shipping Limited and integrated logistics of Sinotrans Limited.

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