

Perisai expansion plans

Firm may buy second derrick lay barge, stake in rivals

■ By Sharen Kaur
sharen@nstp.com.my

PERISAI Petroleum Teknologi Bhd may buy a second derrick lay barge, a vessel used to lay pipes in shallow water, this year to grow its business.

Chairman Datuk Mohamed Ariffin Aton said it is also open to deals to buy rivals to expand into the Middle East and the Asia-Pacific region.

"We want to be a niche player and market leader in the support vessel business," Mohamed Ariffin told Business Times at a media briefing yesterday.

Perisai recently bought SJR Marine (L) Ltd from Singapore's Mercury Pacific Marine Pte Ltd for US\$42 million (RM136 mil-



MOHAMED ARIFFIN: We want to be a niche player

lion), by offering 86.4 million new shares worth RM1.50 apiece, or US\$40 million (RM129.6 million), to the later.

By doing this, Mercury now has a 29.3 per cent stake in Perisai.

Perisai provides corrosion-control and diving services to oil and gas firms. The latest deal will add the provision of support vessels to its business.

SJR, meanwhile, owns a 120-metre long barge with an 800-tonne heavy lift crane called Enterprise 3, scheduled to enter Malaysian waters by June.

It has a bareboat charter contract for 1,085 days over four-and-a-half-years with a major oil and gas company.

"Hopefully, more deals such as the one with Mercury will come

our way. We are always looking for good mergers and acquisitions for growth. This is one of the key strategies," Mohamed Ariffin said.

He said the company is open to joint ventures and bidding for new contracts overseas and in Malaysia. He declined to give details.

Mohamed Ariffin later told reporters the charter contract will give Perisai some RM550 million in additional revenue during the contract period starting this fiscal year ending December 31 2008.

SJR also has rental contracts with various parties, including TL Offshore, a unit of SapuraCrest Petroleum Bhd, which will add to the projected earnings.