

Orkim sails into expansion with RM97mil acquisition

By **Faiqah Kamaruddin** March 30, 2024 @ 9:35pm



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KUALA LUMPUR: Orkim Bhd is acquiring an IMO Type II oil and chemical tanker for about RM97 million (US\$24.2 million) as part of its fleet expansion and rejuvenation strategy.

In a filing with Bursa Malaysia, the company said its wholly-owned Orkim Wisdom Sdn Bhd had entered into a memorandum of agreement (MOA) with Singapore-based Wealth Sail Shipping Pte Ltd for the purchase of the vessel, Rich Sunda.

Orkim said the acquisition is in line with its ongoing fleet expansion strategy and fleet rejuvenation programme.

"The acquisition of an IMO Type II tanker will enhance the group's operational flexibility, as such vessel is capable of transporting both clean petroleum products (CPP) and chemical cargoes, thereby broadening the group's service offerings and market reach," it said.

Orkim said the proposed acquisition will involve Orkim Wisdom taking ownership of the vessel free from any debts, encumbrances, mortgages or maritime liens.

It added that the seller will indemnify the buyer against any claims linked to liabilities incurred before delivery.

Orkim will carry out physical inspections and assessments of the vessel to ensure operational readiness prior to completion.

Orkim said the acquisition will enhance the group's operational flexibility by enabling the transportation of both CPP and chemical cargoes, while also expanding its presence in related segments such as palm oil.

"The board is of the view that the proposed acquisition is expected to contribute positively to the group's future financial performance and enhance shareholders' value," it said.

The company's shipping segment currently operates a fleet of 18 vessels, consisting of 16 CPP tankers and two liquefied petroleum gas tankers, with a combined capacity of 239,186 deadweight tonnes.