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Orkim expands fleet to 21 vessels, orders two more tankers

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PETALING JAYA: Orkim Bhd is expanding its fleet with the early delivery of a new petroleum products tanker and orders for two additional vessels, as the marine transportation group seeks to capitalise on a positive tanker market outlook and growing demand for energy transportation.

The group, through its wholly-owned subsidiary Orkim Marine Sdn Bhd, took delivery of Orkim Jade at Fujian Southeast Shipyard in China ahead of its scheduled delivery date, according to a filing with Bursa Malaysia today.

The 14,500 deadweight tonne (DWT) clean petroleum products (CPP) tanker is expected to commence commercial operations in November 2026, bringing Orkim's fleet to 21 vessels with a combined carrying capacity of 281,534 DWT, an increase of 5.4%.

Orkim said Orkim Jade, its third fleet addition this year, has secured a long-term Consecutive Voyage Charter (CVC) contract with Shell Malaysia Trading Sdn Bhd and Shell Timur Sdn Bhd.

The contract, secured in September 2024, comprises an initial firm period of three years, with extension options of a further three years and two years, potentially extending the charter arrangement until 2035.

Orkim executive director and CEO Captain Cheah Sin Bi said the early delivery of the vessel would enable the group to optimise its fleet capacity, enhance fuel efficiency and reduce its overall emissions intensity, while providing greater visibility over its long-term earnings.

"The successful delivery of Orkim Jade, our third addition this year, marks another significant milestone in our ongoing fleet rejuvenation programme," he said in a statement.

Separately, Orkim has signed shipbuilding contracts for two additional 9,000 DWT CPP tankers, scheduled for delivery in 2028.

The new orders form part of the group's plan to add another five vessels to its fleet between 2027 and 2029, beginning with the expected delivery of Orkim Ruby in 2027.

Cheah said the positive outlook for the tanker market, together with recent enhancements to national shipping policies, including shipping tax incentives, would support the group's investment strategy.

The additional vessels are expected to strengthen its carrying capacity and enhance its regional fleet deployment capabilities.

Orkim said its expansion strategy remained disciplined and commercially driven, focusing on acquiring assets at the right time, supported by market fundamentals and long-term customer demand.

The group's existing fleet comprises 16 CPP tankers with a combined capacity of 177,022 DWT, two chemical/petroleum tankers with a combined capacity of 27,848 DWT, a medium-range CPP tanker with a capacity of 48,005 DWT, a medium-range chemical/petroleum tanker with a capacity of 49,999 DWT and two liquefied petroleum gas tankers with a combined capacity of 6,498 DWT.

Its vessels serve energy companies across Malaysia and other Asian markets, including Singapore, the Philippines, Brunei and the Far East.