



Marine & General bags RM17m contract to supply vessel

KUALA LUMPUR (July 25): Marine & General Bhd (M&G) said its unit has been awarded a contract worth RM17 million, to provide a straight supply vessel (SSV) in support of a client's operations.

In an exchange filing today, M&G said the contract, which was awarded by Hess Exploration and Production Malaysia B.V. to its unit Jasa Merin (Malaysia) Sdn Bhd (JMM), will commence on Aug 1.

The contract is for a primary duration of three years, with two annual extension options for Hess.

M&G said the primary term of the contract — valued at RM17 million — is expected to contribute positively to the group's earnings for the financial year ending Dec 31, 2018 (FY18).

"There are no significant risks involved in JMM fulfilling its obligations under the contract," said M&G, adding that the acceptance of the contract awarded to JMM is in the best interest of the group.

SSVs are specifically designed for the transportation of supplies to and from offshore installations in the oil and gas industry. According to M&G's latest available annual report, JMM operates a fleet of 21 vessels, comprising two SSVs and 19 anchor handling tug supply vessels.

Shares in M&G closed unchanged today at 10.5 sen, after a total of 575,700 shares exchanged hands, valuing the group, which was formerly known as SILK Holdings Bhd, at RM79.63 million.