

Company Name : Alam Maritim Resources Berhad
Date : 14 December 2015
Source : New Straits Times

Alam Maritim eyes more jobs

MAKING A SPLASH: Company to make further inroads into Middle East markets to increase order book

AMIR HISYAM RASID
KUALA LUMPUR
bt@mediaprima.com.my

ALAM Maritim Resources Bhd is looking to further expand its business in the Middle East, with the hope of boosting its order book amid the economic uncertainties.

Its current order book of RM750 million is sufficient to sustain operations for the next two years.

The group recently won a third

contract to provide its multipurpose tug vessel, MV Setia Emas, to a United Arab Emirates client for three years, with an option to extend another two years, for RM41 million.

Group managing director and chief executive officer Datuk Azmi Ahmad said Alam Maritim was expanding through various tendering and bidding activities.

"This will translate into revenue for the group. We have not been spared from the adverse impact on the industry since our business is

dependent on exploration and production activities.

"We hope that our current order book can sustain our business operations for the next one or two years," he told Business Times in a recent interview.

To cope with the challenging economic environment, Azmi expects Alam Maritim's growing offshore installation and construction and sub-sea segments to provide a good platform for productive revenue stream.

He also hopes to boost utilisation

rate for the group's fleet of offshore support vessels while putting in place several initiatives to manage costs.

"Cost optimisation programmes include operational excellence to improve vessel readiness of our fleet, conservation of cash flow to preserve cash resources and internalisation programme to maximise group synergistic value," he said.

Azmi said the oil oversupply was expected to lessen next year but the price was forecast to be around

US\$50 (RM216) per barrel.

"A mild recovery in crude oil price is expected in 2017, with longer-term price forecast at about US\$60 per barrel."

Azmi said oil prices might fall further until next year because of record-breaking output from Iraq, steady exports from Saudi Arabia and higher production from Iran.

The oil and gas industry has been badly affected by depressed oil prices since the third quarter of last year.