



Headline : Deleum positive after bidding for RM200m O&G contracts  
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## Deleum positive after bidding for RM200m O&G contracts

*It will look at areas of the industry which are vital in terms of production, enhancement and the protection of assets*

by JOHN GILBERT

DELEUM Bhd expects a positive outcome from its sizeable RM200 million worth of contract bidding, which is expected to increase its earning base, its group managing director Nan Yusri Nan Rahimy said

yesterday.

"Last year we budgeted about RM20 million for our capex (capital expenditure) buying equipment, tools and PPE (personal protective equipment). This year we are looking at a bigger budget. This is subject to the success of some of the projects that we are bidding for and we also foresee some investments coming in terms of equipment and tools," Yusri said.

Deleum provides a diverse range of support and specialised products and services for

the oil and gas (O&G) industry, particularly in the exploration and production segment.

The bidding contracts, which are called production-sharing contract or PSC, come from various O&G operators, he told reporters after Deleum's annual general meeting in Kuala Lumpur yesterday.

Yusri, who took over the helm as group managing director in March, said the company will look at the sub-surface areas of the industry, which are vital in terms of production, enhancement and protection of assets.

"We will be concentrating on our core business as we see a lot of potential where we can tap within the oil and gas sector."

"Our current contract value stands at approximately RM1 billion, with contracts ending anywhere from the end of this year until 2016," he said.

On potential mergers and acquisitions, Yusri said the company will look for any opportunity in forming strategic alliances that provides viable synergy and compliments Deleum's core business.