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## AK Nathan to shore up funds for O&G venture

**Vahana Holdings is now the single largest shareholder of Eversendai Corp**

by **Shalini Kumar**

**KUALA LUMPUR:** Eversendai Corp Bhd's patriarch Tan Sri AK Nathan is gearing up for his massive investment in the oil & gas industry — to build and lease fully equipped liftboats for offshore oil production activities.

Nathan has decided to invest in two liftboats, which will cost him RM580 million, in his own capacity.

Last Friday, some 552.35 million shares, or 71.37% equity interest, traded off market in three separate transactions, for a total of RM549.59 million or 99.5 sen per share.

When contacted, Nathan, the chairman and group managing director of Eversendai Corp, said the transactions were a restructuring by disposing of his entire stake in Eversendai Corp to his private vehicle, Vahana Holdings Sdn Bhd.

"It is to get funding from the bank to finance Vahana Offshore's liftboat contract that has been given to Eversendai Offshore (RMC FZE) for RM580 million," he said in a text message.

"It is now doing good for Eversendai Offshore to excel in the oil & gas business," he added.

Vahana Offshore is a Singapore-based company which is involved in the offshore support vessels and platform business. Nathan and his daughter, Shamila Nathan, hold 50% each in the company.

Nathan is the single largest shareholder in Eversendai Corp with a 70.95% stake in the construction company. Bursa Malaysia filings last Friday show that both Nathan and his son, Narishnath Nathan disposed of their entire holdings to Vahana Holdings.

As a result of the disposal, Vahana Holdings is now the single largest shareholder in Eversendai Corp. The other shareholders in the group include the Employees Provident Fund (8.07%), Lembaga Tabung Haji (5.21%) and Lynas Asia Fund (2.33%).

In May this year, Eversendai Corp announced its foray into the O&G sector, with its wholly-owned unit Eversendai Offshore securing an engineering, procurement and construction contract worth RM580 million from Vahana Offshore for the delivery of two fully-equipped liftboats.

A liftboat is a self-propelled, self-elevating vessel with a relatively large open deck capable of carrying equipment and supplies in support of various offshore mineral exploration and production or offshore construction activities.

The boat is also capable of raising its hull clear of the water on its own "legs" to provide a stable platform from which maintenance and construction work may be conducted.

The two liftboats — known as Arya and Arjun — are scheduled

to be delivered in February and May 2016 respectively. The liftboats will be constructed in Eversendai Offshore's fabrication yard in Ras Al Khaimah Maritime City, United Arab Emirates.

Eversendai Corp's liftboats' primary operating ability will include a 300-tonne crane, accommodation for a minimum of 150 personnel and is propelled by its own thrusters to a speed of five knots and dynamic positioning.

Liftboats are a niche business in the Southeast Asia region. The only other firm in the liftboat business in the region is Ezion Holdings Ltd, which is listed on the Singapore Exchange and owns the largest fleet of liftboats.

*The Edge Financial Daily* previously reported Nathan as saying the liftboat contract was a breakthrough for Eversendai Corp.

The company's share price has not fared well in the past year in the absence of mega contracts being secured. The stock had retreated from the peak of RM1.70 in July last year to RM1.03 last Friday.

For the first quarter ended March 31, the group posted a net profit of RM10.99 million or 1.42 sen per share, a 54% decline from RM23.68 million, or 3.06 sen, a year ago. Revenue dipped 5% to 230.72 million from RM243.18 million previously.

As at June 18, Eversendai Corp's order book stood at RM1.7 billion.