

Headline **Chuan Hup exits Scomi Marine**
Date **01 Dec 2010**
MediaTitle **The Edge Financial Daily**
Section **Home Business**
Journalist **N/A**
Frequency **Daily**
Circ / Read **25,000 / 40,000**

Language **English**
Page No **2,4**
Article Size **156 cm²**
Color **Black/white**
ADValue **1,200**
PRValue **3,600**



Chuan Hup exits Scomi Marine

Jose Barrock

KUALA LUMPUR: Singapore-listed Chuan Hup Holdings Ltd has entered into a sale and purchase agreement to dispose of its 23.19% interest or 170 million shares in Scomi Marine Bhd for RM91.8 million or 54 sen a share.

In an announcement to the Singapore Exchange yesterday, Chuan Hup said it was in talks to sell 110 million shares or 15% in Scomi Marine to Petroworld Investments Inc and 60 million shares or 8.19% to The Asian Entrepreneur Legacy One LP (TAEL).

Scomi Marine's mainstay lies in the provision of marine vessel transportation services, and the company has a foothold in the Indonesian market transporting coal, among other commodities.

Dubai-based Petroworld is a privately owned Middle Eastern petroleum company involved in the acquisition, exploration and development of petroleum concessions, while TAEL, which was set up in 2007, is a fund operating largely in Southeast Asia.

According to its website, TAEL specialises in originating and structuring financial deals with Asian business, particularly those based in Southeast Asia.

The sale to Petroworld will take a month to complete while the deal with TAEL is likely to be concluded in a matter of two weeks, said Chuan Hup.

According to Chuan Hup's announcement, it is giving up its stake in Scomi Marine as the outlook for

the marine logistics and offshore support vessels business is challenging, and thus the divestment of its stake is in the best interest of Chuan Hup and its shareholders.

For its financial year ended June

CONTINUES ON PAGE 4 >>

Chuan Hup hits 52-week low of 21.5 cents

FROM PAGE 2 >>

2010, Chuan Hup posted a net profit of US\$9.63 million on the back of US\$107.46 million (RM338.5 million) in revenue. The company is controlled by individual Peh Kwee Chim who has about 50.2% equity interest in the company and is an executive director of Chuan Hup.

Chuan Hup's stock hit its 52-week low of 21.5 cents (51.5 sen) yesterday.

Chuan Hup had come with the stake in Scomi Marine when it sold its marine logistics business to jeweller Habib Corp Bhd (which later morphed into Scomi Marine) in 2005.

Other than Chuan Hup, other large substantial shareholders in Scomi Marine are its parent, oil and gas outfit Scomi Group Bhd which has 42.71% equity interest, Meer Sadik Habib Mohamed who has 5.27% equity interest and pilgrim fund Lembaga Tabung Haji which has 5.11%.

For its nine months ended September this year, Scomi Marine posted a net loss of RM207.4 million on the back of RM317.94 million in sales.

Scomi Marine closed at 48.5 sen unchanged.