

# Raja Arshad: More investments into Icon and Orkim

**KUALA LUMPUR:** Ekuiti Nasional Bhd (Ekuinas) does not rule out putting more money into its oil and gas (O&G) portfolio companies Icon Offshore Bhd and Orkim Sdn Bhd.

Chairman Raja Tan Sri Arshad Raja Tun Uda said it would continue to support these companies in its decisions moving forward after the planned merger with UMW Oil & Gas Corp Bhd (UMW-OG) was called off.

"Whether we will be putting more money into the companies will depend on their expansion plans moving forward.

"Obviously, if their expansion plans call for additional capital, they can look at borrowings, or other ways. So until the plans are confirmed, it is difficult to say (whether more money will be put into the companies)," he said.

Ekuinas has a 42.3% stake in Icon and

95.5% in Orkim.

The corporate exercise between UMW-OG and Icon as well as Orkim was mooted in January this year as part of Permodalan Nasional Bhd's move to restructure its companies.

In January this year, UMW-OG had proposed to acquire Icon for RM589mil and Orkim for RM472.7mil.

Under the deal, UMW-OG had proposed to acquire the entire stake in Icon held by Ekuinas at 50 sen per share. The offer triggered a mandatory takeover offer of Icon, where shareholders could opt for shares in UMW-OG at 80 sen each or cash of 50 sen.

Ekuinas, which opted to take the shares, would have ended up with a 12.6% stake in UMW-OG.

On May 4, the deal was called off with UMW-OG citing capital constraints and uncer-

tainties in the industry.

During a press conference yesterday, Ekuinas chief executive officer Syed Yasir Arafat Syed Abd Kadir said it had several plans for Icon but he declined to reveal them.

On Ekuinas' portfolio being 41% in the O&G sector despite the ongoing challenges in the industry, he said its exposure was not only in the upstream, but also the downstream sector which was less affected by the oil price.

He added that Ekuinas was not late in exiting the O&G sector, as it had partially reduced its stake during the peak of oil prices.

"Since then, oil prices have weakened and the opportunity to crystallise needs to be looked into very carefully.

"We want to exit some of our investments, but we will exit responsibly, and will look at opportunities that will provide us with such an avenue," he said.