

Daya Materials unit bags RM88 million subcontract from French firm

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Daya Materials Bhd's 67%-owned subsidiary Daya OCI Sdn Bhd has bagged a €17.7 million (RM88 million) subcontract from Axima Concept SA of France to provide marine heating, ventilation and air conditioning equipment and services.



"The award of this subcontract will terminate and supersede the consortium agreement (entered into on April 18, 2013)," said Daya Materials in a filing with Bursa Malaysia today.

To recap, Daya OCI, which is principally engaged in supplying equipment and specialty chemicals for oil and gas process plants and is also a provider of installation and maintenance services for both onshore plants and offshore facilities, had entered into a memorandum of understanding (MoU) with Axima on April 18, 2012.

The MoU then was with the objective for both parties to cooperate on an exclusive basis in order to participate in tenders in Malaysia within the marine and oil and gas sectors.

Both parties had then entered into a consortium agreement on April 18, 2013 for the purpose of submitting an offer for the Boustead Naval Shipyard Sdn Bhd's littoral combats ship project.

Daya Materials shares closed down 0.5 sen or 4.55% at 10.5 sen today, bringing a market capitalisation of RM173.44 million. – The Edge Markets, October 8, 2015.