



PRESS RELEASE

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MHB Secures Fabrication Contracts And Marine Repair, Conversion Works Worth RM324 Million

- Fabrication of the Baronia jacket, bridge, piles and appurtenance for central processing platform (CPP)
- Facilities improvement project for offshore operations
- Vessel repair and dry-docking for liquefied natural gas (LNG) carriers
- Vessel conversion to floating, storage and offloading (FSO) facility

Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) announces that its wholly owned subsidiary, Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE), has secured contracts worth RM324 million which involve offshore structural component fabrication works; hook up and commissioning and related topside construction work for facilities improvement project as well as for marine repair and conversion works.

The first contract is for the fabrication of substructures and bridge for the Baronia CPP-B project. The substructure consists of jacket, piles, appurtenance and relevant auxiliaries and services where MHB will be the subcontractor for Hyundai Heavy Industries Co Ltd. The CPP project is for the Integrated Baram Delta Gas Gathering II (Bardegg II) and Baronia enhanced oil recovery (EOR) project offshore East Malaysia. The total estimated weights of these structural components under MHB's scope is 10,736 metric tonnes and are due for load-out and sail-away to the ultimate client being PETRONAS Carigali Sdn Bhd (PCSB) in March 2017.

For the second contract, MHB has been confirmed as the contractor for PCSB – Facilities Improvement Project Package C: Peninsular Malaysia offshore operations. MHB will provide facilities improvement work that entails hook up and commissioning, major construction such as topside modification, structural and mechanical retrofit and other related works and services. The contract tenure is for two years from June 2015 until June 2017 with the option of a 1-year extension.

The third project is a repair life extension project and dry-docking for two LNG carrier vessels for MISC, namely 'Puteri Intan' and 'Puteri Delima'. The scope of work involves reinforcement work, retrofitting and boiler repair among others. Both vessels, each at 73,519 deadweight tonnage, are scheduled to arrive in June and complete by early September this year.

The final contract is the conversion of a vessel into a FSO facility for E.A. Technique (M) Berhad that entails demolition, refurbishment and installation works. The vessel is expected to arrive at the yard in July 2015 and is targeted for sail-away by end June 2016. Upon successful conversion and delivery, the FSO Nautica Bergading will be deployed for a full field development project for the North Malay Basin (NMB).

MHB Managing Director and Chief Executive Officer, Tuan Haji Abu Fitri Abdul Jalil said, "We are making good progress in replenishing our work order. MHB has now secured close to RM400 million worth of projects for the year to-date. We are reasonably optimistic of building up our order book and are actively bidding for a number of sanctioned projects domestically and internationally".

"The award of these projects is also a reflection of our commitment to project execution and delivery that are critical in the upstream oil and gas sector. MHB continues to place emphasis on quality and cost within our core business segments as part of our ongoing transformation initiatives", Tuan Haji Abu Fitri added.

**About MHB**

Malaysia Marine and Heavy Engineering Holdings Berhad(MHB) is a leading marine and heavy engineering services provider in the South-east Asia region, focused primarily on the oil and gas sector. It has a workforce of over 3,500 employees and offers a wide spectrum of offshore solutions which include offshore construction, offshore conversion; and marine repair services at its two yards in Pasir Gudang, Johor, Malaysia. The yards can accommodate the fabrication of large marine structures with a total tonnage of 129,700 MT; and are also equipped with two dry docks accommodating vessels up to 450,000 deadweight tonnes (dwt).

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