



**PRESS RELEASE**  
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## **MMHE Hosts Vendors & Sub Contractors Dialogue 2013**

Malaysia Marine and Heavy Engineering Holdings Berhad's (MHB) wholly-owned subsidiary - Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE) today hosted an oil and gas vendors' dialogue in Johor Bahru with 219 vendor and subcontractor organisations participating in exhibitions, presentations and syndications. These organisations comprised high performing suppliers and sub-contractors who are registered with MMHE.

This year's dialogue, entitled "Hand in hand, in delivering projects on time and at cost" was the second engagement conducted by MMHE to update its vendors and subcontractors on the Company's transformations initiatives to deliver engineering, procurement and construction (EPC) projects on time and at cost; as well as to strengthen and develop strategic relationships between MMHE and its vendor community.

Speaking at the dialogue's launch, Mr Dominique de Soras, Managing Director and Chief Executive Officer of MMHE said, "To sustain this Company's growth beyond its 40-year legacy, MMHE is implementing great change in order to compete and succeed. We have initiated a major transformation companywide to ensure that MMHE becomes a high performing organisation. This transformation has a natural link with our yard optimisation programme, launched a few years ago to improve our asset base. The intent is to increase our production capacity via optimisation and upgrading.

"Our investment in transformation is comprehensive - it encompasses the hardware such as the yard facilities, the software such as the automation of our processes and not least of all, our people who are the main asset of MMHE. We are further investing on uplifting the capability of our people and our reputation through a re-branding and corporate culture campaign, training school, procurement academy, project management academy, succession planning and more."

On 5 and 8 March 2013 respectively, MMHE signed long-term agreements with five key contractors for the provision of structural fabrication services; and long term price agreements with 19 vendors for the supply of structure, piping and electrical & instrumentation materials. These recent business improvement engagements and the long term contract signings marked the beginning of a business-smart journey together, towards delivering projects on time and on budget.



The collaboration between MMHE and its key contractors and vendors will help build trust and establish mutually beneficial partnerships for the overall sustainability of the offshore fabrication industry. MMHE vendors and subcontractors have been supporting the Company's transformation efforts through various channels such as committing to provide manpower supply and adequate materials supply as well as timely delivery for MMHE projects.

The Company's supply chain management (SCM) transformation is streamlining its procurement processes; ensuring optimal purchase agreements and establishing a comprehensive improvement in the management of vendors. The initiatives under the SCM division also enhance MMHE's material management while putting in place an integrated Supply Chain IT system that to enhance data management and transfer.

Note to Editor:

Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) is a leading marine and heavy engineering services provider in Malaysia, focused primarily on the oil and gas sector. Its wholly-owned subsidiary, Malaysia Marine and Heavy Engineering Sdn Bhd (MMHE), offers a wide spectrum of offshore solutions which include offshore construction, offshore conversion; and marine repair services at the Company's two yards – MMHE West and MMHE East - 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).

**For more information, kindly contact MHB Corporate Communications:**

**Nor Mariam Mohd Nazir**  
**Senior Executive, Corporate Communications**  
Tel: +603-2275 3948  
Email: [nor.mariam@mmhe.com.my](mailto:nor.mariam@mmhe.com.my)

**Sharifah Khairin Syed Mohd Ali**  
**Executive, Corporate Communications**  
Tel: +603-2275 3860  
Email: [sharifah.khairin@mmhe.com.my](mailto:sharifah.khairin@mmhe.com.my)