

OTHERS MUHIBBAH ENGINEERING (M) BHD ("MEB" or "the Company") NEW CONTRACTS SECURED

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Type	Announcement
Subject	OTHERS
Description	MUHIBBAH ENGINEERING (M) BHD ("MEB" or "the Company") NEW CONTRACTS SECURED

ACCEPTANCE OF AWARD FOR PROVISION OF ENGINEERING, PROCUREMENT, CONSTRUCTION AND INSTALLATION ("EPCI") OF WELLHEAD PLATFORM ("WHP") FOR EAST CENDOR FIELD DEVELOPMENT (PHASE 1) FROM PETROFAC (MALAYSIA -PM304) LIMITED

INTRODUCTION

The Board of Directors of Muhibbah ("the Board") is pleased to announce that Muhibbah Engineering (M) Bhd has received an award from Petrofac (Malaysia-PM304) Limited for the execution of the engineering, procurement, construction and installation ("EPCI") of wellhead platform ("WHP") for East Cendor Field Development (Phase 1) Project ("the Contract") located offshore Peninsular Malaysia for a contract value approximately RM 150 million.

The Contract will involve a substructure, topsides, new Full Wellstream ("FWS") export facilities including water injection, gas lift local power generation, chemical injection facilities and communications via Digital Microwave Radio system for communications. The oil, water and gas FWS production will be exported to the Cendor Floating Production Storage Offloading ("FPSO") for processing and gas lift and water injection supply will be from Cendor Wellhead Platform Bravo ("CDW-B platform").

Petrofac (Malaysia -PM304) Limited is a company incorporated under the laws of England and Wales. Petrofac (Malaysia-PM304) Limited is part of the Petrofac group of companies, an oil and gas multinational.

DURATION OF CONTRACT

The Contract is scheduled to commence in the third quarter of 2019 and is expected to be completed within eleven (11) months from the commencement date.

FINANCIAL EFFECTS

The Contract is expected to contribute positively to the earnings and net assets of the Muhibbah Group for the current and future financial years.

The Contract does not have any impact on the share capital and/or shareholding structure of Muhibbah.

RISKS

The Contract is not expected to expose Muhibbah Group to any new risks other than those through its existing businesses. Such risk factors affecting the Contract include changes in economic and regulatory environment, operational risks such as non-completion risk, fluctuation of material prices and foreign currencies which the Group would take appropriate measures to mitigate the risks.

DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and/or major shareholders and persons connected to the Directors and/or major shareholders of Muhibbah have any interest, direct or indirect, in the Contract.

DIRECTORS' STATEMENT

The Board, after considering all the relevant factors, is of the opinion that the Contract is in the best interest of Muhibbah Group.

This announcement is dated 28 August 2019.

Announcement Info

Company Name	MUHIBBAH ENGINEERING (M) BHD
Stock Name	MUHIBAH
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Category	General Announcement for PLC
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