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# THHE wins Petronas job

Company to build topside structure in Sabah for Petronas Carigali

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**PETALING JAYA:** TH Heavy Engineering Bhd (THHE) has received a letter of award from Petronas Carigali Sdn Bhd to build a topside structure at one of the latter's gas development projects in Sabah.

According to filings with Bursa Malaysia, the contract is for the procurement, construction and commissioning of a topside structure for the latter's Kinabalu Non-Associated Gas (NAG) Development Project. It said the letter of award was dated Jan 28.

THHE said that it was a one-off,

18-month contract that would contribute positively to its earnings and net asset per share for its 2014 and 2015 financial years. Industry sources said that the contract could be worth around RM250mil.

The Kinabalu NAG project comprises two fields – Kinabalu East and Kinabalu West – located about 52km from Labuan, Sabah, in water depths of 55 metres.

The Kinabalu NAG development is part of the Sabah Integrated Gas Development Project initiated by Petroliaam Nasional Bhd (Petronas).

Last November, THHE's unit, THHE Fabricators Sdn Bhd, had received a letter of award from Lundin Malaysia

BV, a Swedish oil and gas (O&G) exploration and production firm, to undertake the fabrication of a well-head platform for the Bertam field development project, which is located offshore in Pahang.

That contract is said to be worth around RM100mil and scheduled for completion in about 12 months.

According to sources, THHE's order book currently stands at around RM400mil.

Industry sources said that given the buoyant market for O&G players, THHE is poised to win more fabrication contracts in the future.

THHE, which had exited its PN17 status in late 2012, saw the emer-

gence of Tan Sri Quek Leng Chan as a 10% shareholder last May.

It had lost out to Malaysia Marine and Heavy Engineering Holdings Bhd and France's Technip for the reportedly US\$1bil (RM3.32bil) Petronas contract to develop Block SK316 offshore Bintulu.

THHE had teamed up with American partner McDermott International Inc for the bid.

THHE also has a floating production, storage and offloading vessel, which it is looking to deploy. Sources said that it was close to securing a long-term charter with a production-sharing contractor in Malaysia.