

Type	General Announcement
Subject	Others
Description	PJBumi Berhad (“PJBumi” or the “Company”) RE: Teaming Agreement entered between Nutra Rich Energy Sdn. Bhd. (“NRESB”) and PJBumi Heavy Engineering & Services Sdn. Bhd. (“PJBUMIHES”), a wholly-owned subsidiary of the Company

1. Introduction

The Board of Directors of PJBumi Berhad (“PJBumi” or the “Company”) wishes to announce that PJBumi Heavy Engineering & Services Sdn. Bhd. (“PJBUMIHES”), a wholly-owned subsidiary of the Company had on 26 January 2024 entered into a Teaming Agreement with Nutra Rich Energy Sdn. Bhd. (“NRESB”) to engage in collaborative efforts for the oil and gas sector within the oil and gas market in Malaysia and Indonesia.

2. Information of the Parties

(hereinafter referred to singularly as “the Party” and collectively as “the Parties”)

2.1 Information of PJBumi Heavy Engineering & Services Sdn. Bhd.

PJBumi Heavy Engineering & Services Sdn. Bhd. [Registration No. 199601020187 (392539-P)] (“PJBUMIHES” or “Prime Bidder”) was incorporated as a private limited company in Malaysia on 2 July 1996 under the Companies Act 1965 and having its business address at Unit 22-1, Level 22, MOF Inc. Tower, Platinum Park, No. 9, Persiaran KLCC, 50088 Kuala Lumpur, Malaysia.

The principal activities of PJBUMIHES are providing technical and services from engineering, design, fabrication, construction, exploration, production & development, implementation, operation & maintenance until decommissioning of assets, telecommunication and digital solutions for Oil & Gas, Petrochemical and Telecommunication sector including environmental study and facilities management.

2.2 Information of Nutra Rich Energy Sdn. Bhd.

Nutra Rich Energy Sdn. Bhd. [Registration No. 201601029042 (1199982-M)] (“NRESB” or “Technical Principal”) was incorporated as a private limited company in Malaysia under the Companies Act 1965 and having its business address at Suite 12-8, The Office Club, Level 12, Menara Mudajaya, No. 12A, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.

NRESB specializes in subsea activities, supplying of offshore jack up rig, land rig asset and technical expert in oil & gas exploration, drilling and plugged and abandon well project.

NRESB has the experience and have entered into various collaborative arrangements with other parties to ensure high standard of professionalism in company operation and in line with international standard practice especially in Oil and Gas industry.

3. Teaming Agreement (The “Agreement”)

The Parties are desirous of entering into this Teaming Agreement to declare their respective intentions and to establish a basis of cooperation and collaboration between the Parties. Both parties aim to engage in collaborative efforts for the Oil and Gas sector within the oil and gas market in Malaysia and Indonesia.

4. Salient Terms of the Agreement

4.1 Roles and Responsibilities

a) PJBUMIHES

To prepare the resources, licenses and premise to perform business development, marketing and bidding exercise for the technology-based solutions/ products/ services in relation to drilling equipment and solutions, including to fabricate, install and commission the deliverables prior and upon award of the contract.

b) NRESB

To support PJBUMIHES in expertise, knowledge and technology to support the business development and marketing activities including project delivery phase prior and upon award of the contract.

4.2 Scope of Work

(1) NRESB's Scope of Work

- provide services on enhancement, implementation and training of the Oil and Gas project, but not limited to: -
 - supply of various Land Rig ranging from 650 to 2000 HP specification.
 - facilitate asset inspection and survey on specific project.
 - drilling activities project management and system.
 - rig mobilization operation from origin location to project site.
 - technical support and key manpower/personnel for drilling operations and project management.
 - provide any additional services required to execute any oil and gas project in Malaysia and Indonesia.
 - supply, install, testing and commissioning of drilling rig operations and it's related to the mud system, control and operation system and buffering receiving facilities for storage and export of product.
 - provide technical-based personnel/experts in Oil and Gas sector.
 - identify local rig crew for local content requirement.
 - make commitment, representations or warranties/ parental guarantee to client/party on behalf of the PJBUMIHES, unless no prior written consent of the PJBUMIHES.

(2) PJBUMIHES's Scope of Work

- front all proposal for commercial and technical including manpower support services with relevant certified/ competent resources using NRESB's primary equipment and tools including peripherals and related items for drilling activities.
- provide the requirement information including information on well drilling, rig requirement outlook (Long Term Drilling Sequence – LTDS).
- execute the below post project mobilization and demobilization including all the related tasks but not limited to: -
 - inspection and compliance fulfilment.
 - certification by local government/ authority including third party inspection and certification for approval to start work at site.
 - registration/ clearance of the equipment, manpower, work permit when and where required.
 - project management services.
 - supply of competent drilling crew and expertise, supported by NRESB's key personnel or substitute.
 - fulfil local content requirements.

(3) the Parties further agree:

- the selection of the project participation shall be guided by the agreed "Drilling Plan and Sequence" to be proposed by PJBUMIHES and agreed by NRESB prior to any bidding activities or mobilization.
- to jointly prepare and submit the bid document under PJBUMIHES as the prime bidder. To examine the proposed requirements, scope and/or specification and shall assist each other by providing all the necessary expertise and knowledge in respect of the Scope of Work in the target bid/ project/ contract.
- to jointly comply with any criteria to be fulfilled and to further provide a competitive offer in respect of the Scope of Work in relation to the target bid/ project/ contract.
- to jointly finalize the pricing and any other commercial terms for the Scope of Work to be provided prior to the execution of the target bid/ project/ contract.
- to jointly analyse to decide the campaign or project tender bidding to be submitted including management communication, planning and decision making.
- to jointly manage and implement Health, Safety, Security & Environment (HSSE) requirements and management.
- Upon request by PJBUMIHES, NRESB to support and participate in reviews, presentations, briefings, or other communications necessary to support the submission/ proposal submitted by PJBUMIHES for the purpose of the target bid/ project/ contract.

- Not withholding anything in the Teaming Agreement, in the event PJBUMIHES is successful in the bid, PJBUMIHES agrees to apply the whole project's related technology exclusively from NRESB except for the Scope of Work/Services that is provided/quoted separately by PJBUMIHES that is not covered under the offerings from NRESB.

4.3 Duration and Termination

This Agreement shall be effective from 26 January 2024 and shall be terminated on the following events: -

- a) written notice by any Party to the other that it no longer desires to participate in the bidding/ project/ contract, which notice must be given prior to any award of the project, in which event the terminating Party shall not in any way pursue the project with or without others (unless otherwise agreed by the continuing Party), whether directly or indirectly and shall ensure that its subsidiaries, associated companies and Affiliates comply with the prohibition herein. The continuing Party shall be permitted to continue to pursue the project without the assistance of the terminating Party. To avoid doubt, the continuing Party must not utilize any information provided by the terminating Party for the project and must immediately return all of the terminating Party's information (including not limited to the terminating Party's Confidential Information).
- b) any of the Parties does not agree to any of the non-negotiable client's requirements whether specified upfront or during discussions with the client. The Party agreeing shall have the right to terminate this Agreement without liability to the other Party.
- c) a material breach of this Agreement takes place as an event of default giving the non-defaulting party a right to terminate this Agreement.
- d) a Party having a receiver and/or manager appointor over any of its assets or property or have a liquidator appointed (whether a creditor's petition, voluntary or compulsory liquidation or otherwise) or pass a resolution for winding up (otherwise than for the purposes of amalgamation or reconstruction) or be placed under judicial management by a court or enter into any composition or arrangement with its creditors; or become insolvent, whereupon the right to terminate shall rest upon any of the remaining Parties not suffering the aforementioned distress.
- e) the execution of the project agreement.
- f) the Parties mutually agreeing in writing to terminate this Agreement.

5. Financial Effects

There is no financial impact on the collaboration for the financial year ending 31 December 2024.

6. Risk Factors

Similar to all the business entities, risk factors affecting the execution of the Agreement, including but not limited to business risks such as prudent financial management, changes in price materials, changes in political, economic and regulatory conditions.

However, the Board of Directors of PJBumi will continue to exercise due care in considering the risks associated with the Agreement and will take appropriate measures in planning the successful execution of the Agreement.

7. Interests of Directors and/or Major Shareholders and/or persons connected to them

None of the directors of the Company and/or major shareholders or persons connected to them has any interest, direct or indirect, in relation to the Agreement.

The collaboration where PJBUMIHES is to provide resources and marketing for the technology-based solutions are in the ordinary course of business.

This announcement is dated 26 January 2024.